

## Daily Report

# **East Asia**

FBIS-EAS-96-075 Wednesday 17 April 1996

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CONTENTS FBIS-EAS-96-075 17 April 1996 NOTICE: An \* indicates material not disseminated in electronic form. INTER-ASIAN AFFAIRS ASEAN Officials Discuss ARF Membership for Burma, India [THE STRAITS TIMES 10 Apr] ...... ASEAN: 'No Objection' To Admitting Burma, India Into ARF [KOMPAS 10 Apr] ASEAN Officials Back PRC as 'Full Dialogue Partner' [THE NATION 10 Apr] Mekong Joint Committee Meets in Hanoi; Discusses River Basin (VNA) Mekong Joint Committee Meeting Ends in Bangkok (VNA) NORTHEAST ASIA Japan Japan: Clinton, Hashimoto Attend Welcome Ceremony in Tokyo [KYODO] Japan: Opening Remarks at Hashimoto, Clinton News Conference [Tokyo TV] Japan: Hashimoto-Clinton News Conference Reported [Tokyo TV] 5 Japanese Premier, U.S President Present Joint Message [Japanese Ministry of Foreign Affairs Q Japan: Ikeda, U.S. Commerce Secretary Confirm Economic Ties [KYODO] 11 Japan: Decision To Defer Insurance Talks Settlement Viewed [ASAHI SHIMBUN 16 Apr.] .... 11 Japan: Joint Security Declaration Signed With U.S. [AFP] Japan: Text of Joint Declaration on U.S. Alliance Reported [AFP] 13 Japan: Foreign Ministry on Aiding U.S.-Japan Common Agenda [Japanese Ministry of Foreign Affairs WWW] 16 Japan: Government 'Should Study' Emergency Contingencies [KYODO] 17 Japan: Cabinet 'Efforts' on Resolving U.S. Base Issues [Japanese Ministry of Foreign Affairs WWW/ ..... 17 Japan: Governor Seeks Removal of All Okinawa Bases by 2015 [KYODO] 18 Japan: Okinawans Fail To Deliver Note to U.S. Embassy [KYODO] 18 Japan: MOFA Statement on Current Situation in Lebanon [Japanese Ministry of Foreign Affairs WWW/ ..... 19 Japan: 'Text' of Keidanren-Russia Economic Talks Memorandum [Keidanren WWW] 19 Japan: Hashimoto Statement on 4-Way Talks on Korea Reported [Japanese Ministry of Foreign Affairs WWW] 20 Japan: North Korean Government Suspected of Counterfeiting [AERA 15 Apr] 21 Japan: Hashimoto Proposes Asian Nuclear Safety Conference [KYODO] 22 Japan: Ex-Premier Murayama Asks PRC To Stop Nuclear Tests (KYODO) 22 Japan: PRC Minister Wants Forum on Exclusive Fishing Zones [YOMIURI SHIMBUN 16 Apr] 22 Japan: Finance Ministry: No Change in Exchange Policy (KYODO) 23 Japan: Finance Minister on Continuing Economic Recovery [KYODO] 23 Japan: Article Notes 'Jusen'-Related Political Strife [BUNGEI SHUNJU May] 23 Japan: Nuclear Energy Experts Open Meeting 17 Apr [KYODO] Japan: Measures for Reducing Housing Construction Cost [Japanese Ministry of Foreign Affairs 27 Japan: Postelection Realignment Projected [SEIKAI ORAI Mar] 28 Japan: Select Foreign Ministry Personnel Featured [KANKAI Feb] 33 North Korea

DPRK Article Warns against U.S. 'Hostile' Maneuvers [NODONG SINMUN 6 Jan] .....

	DDDV Daily David Britain V and Land (19100 / Britain
	DPRK Daily Decries Bringing Korea Issue to UNSC [Pyongyang Radio]
	DPRK: Comments on South's Civil Defense Exercises [KCNA]
	DPRK: CPRF Issues Information on South's 'Smear Campaign', KCNA/
	DPRK: KPA Spokesman's Statement Distributed as UNSC Document [KCNA]
	DPRK: Ethiopian Premier Sends Letter, Gift to Kim Chong-il [KCNA]
	DPRK: Kim Chong-il Receives Gift From Visiting Russian Delegation (KCNA)4
	DPRK: Kim Chong-il Receives Gift From Communist Party of Moldova (KCNA)4
	DPRK: Kim Chong-il Thanks Public Security Ministry, Others [Pyongyang Radio] 4
	DPRK: Kim Chong-il Receives Letters From Overseas Koreans [KCNA]
	DPRK: Yang Hyong-sop Sends Greetings to Syrian People's Council /KCNA/
	DPRK: Paper Marks Syrian Arab Republic's National Day [KCNA]
	DPRK: Embassy Marks Anniversary of Swiss Reunification Committee [KCNA]
	DPRK: Chang Chol Meets Head of Yugoslav Art Troupe 16 Apr [KCNA]
	DPRK: Central Committee Sends Letter to Art Festival Participants [KCNA]
	DPRK: Administration Council Hosts Arts Festival Reception /KCNA/
	DPRK: Yi Chong-ok, Pak Song-chol, Kim Pyong-sik at Performance [KCNA]
	DPRK: Pak Song-chol, Others Attend Closing of Spring Art Festival [KCNA]
	DPRK: WPK Central Committee Delegation Departs for Africa 16 Apr [KCNA]
	DPRK Paper Says History of Korea Began With Kim II-song /KCNA/
	DPRK: NDFSK Pyongyang Mission Lays Flowers at Kim Il-song Statue [KCNA]
	DPRK: Egyptian Delegation Visits Kim Il-song Statue [Pyongyong Radio]
	DPRK: Peruvian Groups Begin 100-Day Event To Remember Kim Il-song (KCNA)
	DPRK: Egyptian Cultural Official Praises Feats of Kim Il-song /KCNA!
	DPRK: Overseas Koreans Visit Kumsusam Memorial Palace (KCNA)
	DPRK: Working People, School Children Remember Kim Il-song [KCNA]
	DPRK: Yi Chong-ok Attends Meeting to Award Commendations [KCNA]
	DPRK: Monument to Kim II-song Built at Chang Chol-ku University /KCNA/
	DPRK: Editorial on Kim II-song Birthday /KCNA/
	DPRK: 'Kim Il-song's Complete Works' Vol. 14 Published (KCNA) 5
	DPRK: Pak Song-chol, KCU Mark Anniversary of Kim Il-song's Birth [KCNA]
	DPRK: Art Performances Held on Birth Anniversary of Kim Il-song [KCNA]
	DPRK: UNDP-Assisted Light Industry Project Commissioned 11 Apr /KCNA/
	DPRK Daily Views 'Collectivist Outlook' on Life Via Chuche Idea [KCNA]
	DPRK: Foreign Papers Commemorate Birth Anniversary of Kim Il-song (KCNA)
So	uth Korea
	ROK: U.SROK Proposal, Possible DPRK Reaction Analyzed [The Digital Choson Ilbo WWW] 5.
	ROK President To Brief on Outcome of Talks With Clinton [YONHAP]
	ROK: Editorial on Kim-Clinton Summit on Cheju Island [TONG-A ILBO 17 Apr]
	ROK: DPRK Urged To Accept 'Four-Party Talks' Proposal [CHUNGANG ILBO 17 Apr. etc.] 50
	ROK: Editorial Urges DPRK To Accept 'Four-Party Talks' [HANGYORE SINMUN 17 Apr] . 5
	BOY MORE BY A RELIEF BY A MANUAL
	DOV. LC Lawrence Comment To Francis Latin Col Labor (VOVIII)
	BOY OFCE C . C I B . T I !! BOY I WOUNTED
	ROK: Open Bond Market To Depend on Foreign Interest Rate Gap [YONHAP]
	ROK: Foreign Investment in Industry Rising 'Sharply' [YONHAP] 50
	ROK: Lawmaker-Elect Suspected of Violating Election Law [YONHAP]
	ROK: Authorities To Probe 'All' Alleged Law Violations [YONHAP]
	ROK: Poll Forecast Errors Due to Lack of Randomness, Frankness [YONHAP]
	ROK: Citizens' Group Urges TV Election Forecast Apology [THE KOREA HERALD 17 Apr] 60
	ROK: List of Lawmakers Elected in 11 Apr Polls [THE KOREA TIMES 13 Apr]
	ROK: Corrected Version on Outcome of General Elections [CHUNGANG ILBO 12 Apr] 6:

	ROK: Poll Results Point at Yi Hoe-chang as Probable President [The Digital Choson Ilbo WWW]
	ROK: NKP Urged To Punish Taegu Assemblyman for Aiding Chon [YONHAP]
	ROK: Editorial Comments on Chon Funds Uncovered by Prosecution [The Digital Choson Ilbo WWW]
	ROK: Yi Ki-taek Reverses Decision To Retire From Politics [YONHAP]
	ROK: Improprieties of Government Offices Abroad Uncovered [YONHAP]
	ROK: President Kim To Meet Opposition Leaders Separately [YONHAP]
	ROK: Chaebols' Concentration of Economic Power Viewed [The Digital Choson Ilbo WWW]
	ROK: KEPCO Decides To Join 'Korea Global Telecom' [THE KOREA HERALD 13 Apr]
	ROK Productivity Index Reaches Highest Level in 5 Years [THE KOREA TIMES 17 Apr]
	ROK: Trade Deficit Fell 1st Quarter; Exports, Imports Rose [YONHAP]  ROK Joins Wassenaar Pact Controlling Strategic Technologies [THE KOREA ECONOMIC WEEKLY 15 Apr]
	ROK: Agriculture, Fisheries, Livestock Ministry on Internet [The Chungang Ilbo WWW]
	ROK: ONTA To Decide on Tax Probe of 30 Major Conglomerates [THE KOREA TIMES]
	ROK: Bank-Guaranteed Corporate Bonds Hit Record Low 16 Apr [THE KOREA TIMES 17 Apr]
sot	THEAST ASIA
	Cambodia
	Cambodia: Probe on Firm Linked to Japanese Terrorist, Fake Currency [ASIA TIMES 17 Apr]
	Cambodia: Sihanouk Comments on Recent Events [Phnom Penh Radio]
	Cambodia: Government To Undergo 'Minor Cabinet Reshuffle' 'Soon' [REAKSMEI KAMPUCHEA 17 Apr]
	Cambodia: Suspected Khmer Rouge Guerrillas Launch Attack in Kampot [AFP]
	Indonesia
	Indonesia: Alatas Confirms Relaying of ROK-U.S. Proposal to DPRK [Jakarta Radio ]
	Jakarta Pledges To Contribute More Heavy Fuel to DPRK [AFP]
	Indonesia: Australia's Downer's Briefs Suharto on Canberra Policy [Jakarta Radio]
	Indonesia: Alatas, Australia's Downer Discuss East Timor Issue [SUARA KARYA 16 Apr]
	Indonesia: Corrected Version of Alatas' Reactions to Howard's Visit [Melbourne International]
	Indonesia: Minister Notes Japan's Concern About 'National Car Program' [Jakarta Radio]
	Indonesia: Daily Expresses Concern Over Declining Level of Exports [KOMPAS 16 Apr]
	Laos
	Lao Official, UNHCR Envoy View Refugee Resettlement Agreement [THE NATION 16 Apr]
	Philippines
	Manila Preparing for May APEC Meeting in Cebu [PNA]
	Philippines: Ramos Warns MILF Against Attacks on Government Forces [BUSINESS WORLD 16 Apr]
	Philippines: Government Expected To Deploy CAFGU's in Mindanao [Quezon City Radio-TV]
	Philippines: Reports of Ramos Shortlisting Successors 'Premature' [Quezon City Radio] Philippines Article Discusses Likely Successors to Ramos in 1998 [The Journal Group WWW]
	Thailand
	Thailand: U.S. Environmentalists' Bid To Ban Shrimp Import Viewed [BANGKOK POST 17 Apr]
	Thai Official Says EU's GSP Review Favorable for Exports [BANGKOK POST 17 Apr]

Thai Envoy on Investment Opportunities in PRC [ZHONG HUA RIBAO 12 Apr]	83
Thailand: Cambodia's Ing Huot Comments on Ties [BANGKOK POST 16 Apr]	84
Thai Daily Views Burma's Attempts To Stabilize Kyat [BANGKOK POST 16 Apr]	86
Thailand: Loans, Luxury Goods on Control List To Cut Deficit [BANGKOK POST 17 Apr]	87
Thailand: Editorial Comments on Monetary Policy [BUSINESS DAY 16 Apr]	88
Thailand: Official Views Ability of Major Industries To Compete [BAN MUANG 15 Apr]	88
Thai Minister Outlines Foreign Ministry Goals in Annual Address [Bangkok Radio]	89
Vietnam	
SRV General Secretary Receives Canadian Finance Minister (VNA)	89
SRV: Visiting Cuban Communist Party Leader Urges Closer Ties (VNA)	90
SRV: Increasing ASEAN Investment in Hanoi Noted (VNA)	90
SRV: Premier Vo Van Kiet Returns From Visit to Laos (VNA)	91
SRV: National Conference on Financial Sector Opens (VNA)	91
SRV: Draft Party Political Report, Installment 11 [Hanoi International]	92
SRV: Politburo Member Discusses New Depth of Unity [TAP CHI CONG SAN Sep]	94
SRV Official Interviewed on Management, Use of Land [HANOI MOI Feb]	98
STRALASIA	
Australia	
Canberra Announces \$2 Million Contribution to KEDO [Melbourne International]  Australia: Indonesian Official Rejects Concerns Over Nuclear Program [Melbourne International]	102
Australia: Suharto Declines Visit Invitation To Avert Rift in Ties [THE SYDNEY MORNING HERALD 17 Apr]	102
Australia: Minister Concedes Tariff Concessions Idea 'Dreadful Policy' [THE AUSTRALIAN FINANCIAL REVIEW 12 Apr]	103
Australia: Government Suspends Use of Landmines Except in 'Emergency' [THE SYDNEY MORNING HERALD 16 Apr]	103
New Zealand	
New Zealand First Leader Explains Party's Position on Immigration [THE PRESS 12 Apr]	104
New Zealand: Paper Comments on 'Apostasy' of Politicians [THE PRESS 11 Apr]	105
Papua New Guinea	
Papua New Guinea: Chan on Abandoning Logging Tax, Royalty Regime [Melbourne International]	106
Papua New Guinea's Chan: Many 'Misread' Decision To Lift Cease-Fire [Melbourne International]	106
Papua New Guinea: Military Reimposes Blockade on Bougainville [Melbourne International]	106

### ASEAN Officials Discuss ARF Membership for Burma, India

BK1004151196 Singapore THE STRAITS TIMES in English 10 Apr 96 p 1

[Report by Indonesia correspondent Paul Jacob]

[FBIS Transcribed Text] Jakarta — A special meeting of ASEAN senior officials is set to recommend the inclusion of Myanmar [Burmal and India as participants of the ASEAN Regional Forum (ARF), a grouping bringing regional states, industrialised countries and superpowers together for talks on security issues.

Sources at the meeting in Surabaya, east Java, said China's bid to become a full dialogue partner of ASEAN was also discussed. Its request was likely to be endorsed by ASEAN leaders at an informal summit set for early December in the town of Bogor near here.

ASEAN officials began their three-day talks on Monday as part of preparations for a formal meeting in Yogyakarta next month of senior officials from the full 19-member ARF.

Requests by Myanmar and India for inclusion in the ARF have been supported by ASEAN members on the strength of the two countries' roles and vested interests in the region, their economic and other ties with ASEAN and, in India's case, its role as a regional power.

While such sentiments remained unquestioned at the Surabaya meeting, diplomatic and other sources contacted yesterday said a similar endorsement might not be as forthcoming at the ARF meeting in Yogyakarta.

"Some existing members believe the grouping might be moving too fast to draw in others when it ought to be focusing instead on more concrete measures to develop the role and effectiveness of the ARF," a Jakarta-based regional analyst said.

"There may also be a bid by some to keep membership exclusive and so give the impression that the weight of the ARF can to brought to bear on others should a conflict or disagreement arise."

But as a source said, ASEAN intended to be "in the driver's seat" precisely to prevent the ARF from being "misdirected".

ASEAN also holds the view that its dialogue-partner countries ought to be included automaticalry in the ARF because development of stronger economic ties "will lead to greater recognition of the benefits of regional stability".

Indonesian Foreign Ministry director-general for political affairs Izhar Ibrahim acknowledged the difficulties of the ARF membership issue, saying it could not be

based on a single criterion such as a country's geographical location.

"If you only use geographical location, then how far east or west should the limits be? There must be other considerations such as the role in contributing to regional stability."

A host of countries aside from Myanmar and India are seeking ARF membership. They include Britain, France, Kazakhstan, Mongolia, North Korea, Pakistan, Ukraine, and the Conference of Security and Cooperation in Europe.

The 19-member ARF currently includes the ASEAN seven, Australia, Cambodia, Canada, China, the European Union, Japan, Laos, New Zealand, Papua New Guinea, Russia, South Korea and the U.S.

At the ARF meeting in Brunei last year, Indonesia was given the task of determining membership criteria, an issue which will be discussed in Yogyakarta before being put to the grouping's ministers who meet here in the middle of the year.

As for China's application to upgrade its current sectoral dialogue-partner with ASEAN Mr. Izhar said he did not see any objections arising from within ASEAN as Beijing had always maintained "good relations" with the grouping.

Other sources at the meeting said ASEAN acknowledged the potential for increased ties with China and saw the desirability for greater political and economic engagement with Beijing. Its request for full dialogue status was likely to be dorsed by ASEAN leaders when they meet later this year.

### ASEAN: 'No Objection' To Admitting Burma, India Into ARF

BK1004105096 Jakarta KOMPAS in Indonesian 10 Apr 96 p 7

[Unattributed report]

[FBIS Translated Text] Surabaya — Indonesia and ASEAN have no objection to accepting India and Burma as members of the ASEAN Regional Forum [ARF]. "ASEAN hopes there will be a consensus in the near future on the criteria of the participation of India and Burma in the ARF. The consensus will depend on consultations among the members," Izhar Ibrahim, director general for political affairs of the Department of Foreign Affairs, said at the end of a special meeting of senior ASEAN officials in Surabaya on Tuesday evening (9 April).

Several Japanese media outlets have reported that four big powers, which are members of the ARF (the United States, China, France, and Britain) [as published] have objected to India's application for membership. Their objection is partly due to India's refusal to sign the Nuclear Non-Proliferation Treaty [NPT], despite India's possession of nuclear weapons.

When asked whether it was true that the four big powers objected to India's membership, Izhar replied: "Those countries did not name any specific countries. They stressed the importance of setting membership criteria, before discussing the admission of new members."

India's non-accession to the NPT has made it difficult for it to be admitted into the ARF. Regarding the "irritant," Izhar said, in principle, applicants must endorse ASEAN, ARF, and international treaties. "The NPT must be considered, although it is not directly linked (with the ARF membership)," he said.

A KOMPAS source said India's reluctance to sign the NPT could be used as a criterion to "prevent" the world's second most populous nation from joining the ARF. The Indo-Pakistani dispute over Kashmir could also be regarded as a "major problem" hindering India's entry into the ARF.

In fact, India has adopted a ve y active foreign policy. India has become a dialogue partner of ASEAN. The country is interested in joining the APEC [Asia-Pacific Economic Cooperation] forum.

If the UN Security Council is restructured, India would like to become a permanent member of the important body. India has expressed its intention to attend the Asia-Europe Meeting [ASEM] in Britain in 1998.

The ARF currently has 19 members, including seven ASEAN members (the Republic of Indonesia, Malaysia, Thailand, Vietnam, Singapore, Brunei Darussalam, and the Philippines). The other 12 members are: the United States, Russia, China, Canada, Japan, New Zealand, South Korea, the European Union, Australia, Cambodia, Laos, and Papua New Guinea.

France, Britain, India, Pakistan, Burma, North Korea, Kazakhstan, Mongolia, and Ukraine have expressed their desire to become members.

#### **ASEAN Dictated To?**

When asked whether ASEAN could be dictated to by the four countries to not admit India, Izhar replied: "We must be cautious. Big powers should not be allowed to dictate to ASEAN, or vice versa. This is a forum of cooperation, the objective of which is to gain mutual benefit."

Nevertheless, Izhar admitted that ASEAN was facing many problems with dealing with big powers in the ARF. "Of course, there are many problems because security is a sensitive issue. There could be different interests. The forum is a vehicle for partnership, not one for enmity or rivalry," he said.

He also admitted that big powers had certain strategic interests. "Each country has its own interests, but the interests must be harmonized with those of other countries. If a party imposes its own will, the ARF will not work,' he added.

The India issue will be discussed further in two forums—during a meeting of senior ASEAN officials, and during the meeting of senior ARF officials that will be held in Yogyakarta from 6 to 11 May 1996.

### **Two Working Groups**

During the special meeting, the senior officials also discussed the dispute between the Cambodian People's Party and the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia in Cambodia, tension in the Taiwan Strait, the Spratly dispute, and the ASEM. They agreed that senior officials of ASEAN and China would hold consultations on the Spratlys in Padang from 10 to 12 June.

According to Izhar, some delegates asked whether it was time to submit the Southeast Asian Nuclear Weapon-Free Zone Treaty to the United Nations. Subsequently, ASEAN agreed that each parliament should accelerate the ratification of the treaty.

Two working groups — the Working Group on Security Cooperation, and the Working Group on Political Cooperation — were established during the special meeting. The Working Group on Political Cooperation agreed that ASEAN should strive for the conclusion of the Comprehensive Nuclear Test Ban Treaty.

The Working Group on Security Cooperation agreed to regularly hold ASEAN seminars on defense planning. There will be a meeting of ASEAN military officers, and the theme will be: "Exchange of Views on Security in the Asia-Pacific Region" [preceding theme in English] within the framework of a special meeting of senior ASEAN officials.

### ASEAN Officials Back PRC as 'Full Dialogue Partner'

BK1004044796 Bangkok THE NATION in English 10 Apr 96 p A6

[Unattributed report]

[FBIS Transcribed Text] Senior ASEAN officials have agreed to China's request that its relationship with the Southeast Asian grouping be upgraded to full dialogue partner, a status recently acquired by its regional rival India.

But the officials, who met during a special two-day meeting on foreign and security affairs in Surabaya, on Indonesia's East Java, also agreed that the final decision over China's entry rests with approval from all seven ASEAN leaders, who will hold an informal summit in December also in Indonesia.

Chinese Prime Minister Li Peng told his Prime Minister Banhan Sinlapa-acha during the latter's China trip last month that Beijing wanted to see its relations with ASEAN upgraded from a "consultative partnership" to full dialogue partnership as soon as possible.

Beijing has pushed hard for the new status after ASEAN leaders announced at their summit in Bangkok last December that India was to be promoted from being "a sectoral dialogue partner", since 1993, to a full dialogue partner.

With its new status, India will enjoy closer relations and cooperation with the seven ASEAN nations, as well as engage in regular political and economic dialogue.

Moreover, New Delhi will obtain an equal footing with other ASEAN partners from developed nations in Asia and the West, such as Japan, South Korea, the European Union and the United States in participating in the annual meeting of their foreign ministers and in the ASEAN Regional Forum (ARF). The ARF, which was established in July 1994, is a platform where ASEAN and its dialogue partners discuss political and defence affairs in the Asia-Pacific region.

Since 1991, China and Russia have been invited to attend the annual ASEAN ministerial meeting as "guests" of the grouping. The two countries were promoted in 1994 to consultative partners.

ASEAN and China then established two committees to strengthen their relations. One committee is concerned with economics and trade, while the other is to do with scientific and techn logical cooperation. Both sides held their first consultative dialogue in April 1994 in Hangzhou and will hold a second in June in Medan, Sumatra.

Banhan told Li Peng during their recent meeting that Thailand supported China's request for the upgrade, but warned that all seven ASEAN members would have to agree.

ASEAN officials said that although India has already been promoted to a dialogue partner, it will not automatically acquire a seat in the ARF meeting this July in Jakarta. They said some powerful members in the ARF have expressed their desire to see all the 19 participants, and not only ASEAN countries alone, making

the final consensus decision on India's entry into the security platform.

Pakistan, which obtained "sectorial partnership" with ASEAN in 1993, has in the past few months been lobbying several ASEAN members to support its bid to upgrade its ties with ASEAN.

### Mekong Joint Committee Meets in Hanoi; Discusses River Besin

BK1903100696 Hunoi VNA in English 0630 GMT 19 Mar 96

[FBIS Transcribed Text] Hanoi VNA March 18 — The Mekong Joint Committee opened its third session today in Hanoi with the participation of representatives from its member countries — Vietnam, Laos, Thailand and Cambodia, and the two observers, China and Malaysia.

At the third session, the participants focus their discussion on plans to develop the Mekong River basin, draft regulations on the use of the river's basin, the 1997 action programme for the international Mekong River Committee, and UNDP-funded projects for the Mekong River basin.

The participants plan to convene their second meeting with the two delegations of China and Malaysia to exchange information and promote cooperation in natural calamity forcasting between [word indistinct] International Mekong River Committee and the upstream Mekong River countries.

#### Mekong Joint Committee Meeting Ends in Bangkok

BK2103085196 Hanoi VNA in English 0713 GMT 21 Mar 96

[FBIS Transcribed Text] Hanoi VNA March 21 — The Mekong Joint Committee has agreed that its next session is to be held in Bangkok, Thailand, in March 1997.

At the third session which closed here yesterday, the committee discussed the plans and measures relating to the development of the Mekong River basin, a draft of regulations on the use of the river's water, the 1997 action programme for the International Mekong River Committee and UNDP [United Nations Development Program]-funded projects for the Mekong River basin.

It also held a working session with the two observers, China and Myanmar, [Burma] and made a tour of the hoa binh hydro-electric power plant in northern Vietnam.

The session was opened in Hanoi on March 18 with the participation of representatives from its member countries, (Vietnam, Laos, Thailand, and Cambodia) and two observers, (China and Myanmar). It was presided over by Doctor Phan Si Ky, vice president of the Vietnam National Mekong Committee and president of the Mekong Joint Committee. He is also deputy minister of agriculture and rural development.

### Japan

### Japan: Clinton, Hashimoto Attend Welcome Ceremony in Tokyo

OW1704015296 Tokyo KYODO in English 0136 GMT 17 Apr 96

[FBIS Transcribed Text] Tokyo, April 17 KYODO — U.S. President Bill Clinton began his official duties in Japan on Wednesday [17 April] morning by attending a welcoming ceremony at the Akasaka State Guesthouse.

Under a clear sky, Clinton, who arrived in Tokyo on Tuesday for a three-day state visit, and his wife Hillary were greeted at the main gate by Emperor Akihito and Empress Michiko.

About 300 Japanese elementary school students and American residents in Japan also welcomed the U.S. President and first lady in front of the gate of the state guesthouse in downtown Tokyo, with both waving the flags of the two countries.

Clinton, the first U.S. President to pay a state visit to Japan in four years, then attended a welcoming ceremony featuring a Ground Self-Defense Force band's performance of both countries' national anthems.

The U.S. President received a formal salute from an honor guard at the close of the 15-minute ceremony that was also attended by Prime Minister Ryutaro Hashimoto.

After the ceremony, Clinton moved to the Imperial Palace to have an audience with the imperial couple in a program that comes just before his summit meeting with Hashimoto.

During the 20- minute audience at the palace, Clinton said he fully understands the sentiments of the Okinawan people and pledged to further foster friendship with Japanese people, including residents in Okinawa, according to a high-ranking Imperial Household Agency official who was present at the meeting.

Clinton's comments followed Emperor Akihito's remarks, "I wish both governments will closely cooperate with each other to solve the Okinawa issue while paying due consideration to the sentiments of people in Okinawa," the official said.

Clinton last met the emperor during the imperial couple's visit to the united states in 1994. Clinton came to Japan in 1993 to participate in a summit of the Group of Seven (G-7) major industrialized countries.

Japan and the U.S. recently agreed to return the U.S. Marine Corps' Futenma Air Station to Japan over the next five to seven years by shifting its major operations

to Kadena base, also in Cainawa, and Iwakuni base in Yamaguchi Prefecture.

Among the gifts the two exchanged were an autographed baseball from the legendary major leaguer Cal Ripken Jr. of the Baltimore Orioles, who set a major league record of a consecutive games last year, and a famous "kutani yaki" flower vase from Ishikawa Prefecture on the Japan sea coast

Clinton and his wife Fallary will attend a state dinner at the palace. About 15' people will attend the banquet.

#### Japan: Opening Remarks at Hashimoto, Clinton News Conference

OW1704080896 Tokyo NHK General Television Network in Japanese 0446 GMT 17 Apr 96

[Opening remarks by Prime Minister Pyutaro Hashimoto at joint news conference with U.S. President Bill Clinton in the main yard of the State Guest House in Tokyo on 17 April — live]

[FBIS Translated Text] [Unidentified official] First of all, Prime Minister Hashimoto will give his remarks.

[Hashimoto] Just now, both President Clinton and I signed two documents right in front of you. One of them is a message to the people of Japan and the United States that states the current relations between our two countries and lays down the direction in which the people of our two countries will cooperate and proceed together to greet the 21st century. The other one is the joint Japan-U.S. declaration on security.

The message to the people of Japan and the United States summarizes how important bilateral relations are for our people and how our two countries can cooperate on the future agenda by referring to the preciousness of democracy and freedom, bilateral cooperation on regional issues, cooperation for UN reform and disarmament, and our economic relations, and also ways of cooperating with each other in these respects.

We have confirmed that in a bid to maintain Japan's security, and peace and prosperity in Asia, the Japan-U.S. security arrangements will perform, just as they did in the past, a vital role. This is the starting point for our bilateral cooperation into the future.

At the summit talks, we covered a wide-ranging agenda, such as security, economics, and other bilateral issues as well as various problems of the international community. As for the consolidation, realignment, and reduction of the U.S. military facilities in Okinawa, both governments are making sincere efforts to reduce the burden on the Okinawan people by paying consideration to their feelings.

We want to express our appreciation, once again, of the contents of the interim report that the Special Action Committee on Okinawa announced the day before yesterday and mutually confirm that it is very important for us to take the measures proposed in the report in an appropriate manner, and that both of us will continue to do our utmost to arrive at a final agreement in November this year.

On Japan-U.S. economic relations, I explained that the Japanese current account surplus is on a downward trend and that the Government of Japan is making its utmost efforts to reform its economic structure, including deregulation. Moreover, I suggested that we engage in discussion of individual economic issues whenever necessary, while taking into account the actual record of the past.

We also discussed the importance of Japan and the United States cooperating with each other to stand up against threats to humankind and the global community. We confirm that to that end, six new areas will be added to our cooperation and to the so-called Common Agenda — such issues as terrorism, natural disasters including earthquakes, and new infectious diseases — and that we will further promote such cooperation with the participation of the private sector and other countries. We have also decided to study together how to promote a 21st-century-type development that will be in harmony with nature.

Despite the limited time, we also exchanged views on situations in different parts of the world: China, the Korean peninsula, Russia, the former Yugoslavia, and the Middle East, and discussed our respective policies there, too.

Speaking frankly of my impressions of the meeting held today, today's summit meeting was supported by what could be called very strong, large pillars and a big roof—the large pillars being the mutual understanding of the people of our two countries. I also informed the president of my determination to create an opportunity for many more American youths to visit Japan in future, so that these pillars will grow even larger. The big roof is the common values that our two countries have shared so far. Both Japan and the United States have built our countries on the basis of such universal values as democracy, human rights, and an open economy. This important relationship that we have mutually built is certainly irreplaceable in the world, and we will further strengthen this relationship in the future world.

To end my remarks, I would like to point out that the essence of the meeting today lies in reaffirming this relationship, which is extremely important. I would like to yield to the president now.

### Japa:: Hashimoto-Clinton News Conference Reported

OW1704094096 Tokyo NHK General Television Network in Japanese 0458 GMT 17 Apr 96

[Question-and-answer session at joint news conference by Prime Minister Ryutaro Hashimoto and U.S. President Bill Clinton at the State Guesthouse in Tokyo on 17 April; Hashimoto and Japanese reporters speak in Japanese; Clinton in English — live]

[FBIS Translated Text] [Unidentified official] We will start the question-and-answer session. Those who would like to ask questions please raise your hand.

[Yonemoto] I am Yonemoto of NHK. President Clinton and Prime Minister Hashimoto, we appreciate your efforts. I would like to address my question to Prime Minister Hashimoto.

A while ago, you shared your candid impressions of the summit meeting you just had. With regard to specific issues, one of the main topics of your discussion was the reconfirmation of the importance of the Japan-U.S. security arrangements under the new international situation after the end of the Cold War. To this end, for example, it was also agreed that the guidelines for bilateral defense cooperation will be reviewed. However, in this regard, there are opinions within Japan that there is a need for further coordination in view of its implications on the constitutional ban on the exercise of the right of collective defense. Mr. Prime Minister, could you tell us what you intend to do to form a national consensus on this matter?

[Hashimoto] Last year, we revised the existing National Defense Program outline and formulated a new one. This defines the basic stance of Japan's defense capability in line with the present international situation after the end of the Cold War. It goes without saying that since changes are taking place, we have to conduct various studies to cope with these changes.

So far, we have been able to live in peace in the 51 years after Japan's defeat in World War II. I truly feel that this is because of the Japan-U.S. security treaty. We have not given much thought to an emergency situation. We have been fortunate to be able to lead our lives without having to think about an emergency, for example, when there is a need to rescue Japanese citizens from a conflict area, or to accept refugees.

However, I believe we have reached a point where we need to seriously study what we can do, and what we cannot do in case of an emergency. I think it is unfortunate that there is a tendency for discussions on this to start with a discussion relating to constitutionality or emergency legislation. There is something we can do under the current legislative system. It is our responsibility to study the matter in an appropriate manner. I would like to take this opportunity to make an appeal on this question. If only to ensure that the Japan-U.S. security arrangements will function smoothly and operate effectively when an emergency does come about, we need to seriously study what we can and cannot do in terms of defense cooperation with the United States. That is how I see it.

[Unidentified official] Next question please.

[Hunt, speaking in English] Terry Hunt with the Associated Press.

The Prime Minister said you spoke about the Middle East. Mr. President, what can you tell us about U.S. efforts to broker a truce between Israel and the Hizballah guerrillas? Are you making any progress? Who do you hold primarily responsible for this violation?

[Clinton] Let's begin at the beginning. I think that clearly, the truce was violated by Hizballah violating the agreement that has previously been broken in raining in the Katyusha rockets falling into northern Israel. That is obviously what provoked it. Now, having said that, I think it is important that we do everything we can to bring an end to the violence. Even though we are here in Japan and we are working on a very important issue here, we have been quite active in the Middle East. The secretary of state has spent an enormous amount of time on this issue in the last several days. We will do what we can to bring an end to the violence and try to establish a workable agreement, but I have no progress to report on that at this time.

[Unidentified official] Next question please.

[Hong, speaking in English] I am Jessica Hong from China Television Taiwan. President Clinton, in the bilateral talks held earlier, did you touch on any issues regarding the recent tensions in the Taiwan Strait? In the declaration, we cannot find anything like that mentioned. Since you emphasized that the security treaty is not only to protect Japan but also to protect the Asian-Pacific region, does it mean clearly that Taiwan is under such a protection?

[Clinton] The prime minister might want to comment on this as well, but yes, we discussed Taiwan and China extensively as well as the recent tension in the Strait. It is obvious that our partnership is designed to try to preserve the peace for all peoples in this region and I believe that I can say we both agree that while the United States clearly observes the so-called one-China policy, we also observe the other aspect of the agreement we made many years ago to include a commitment on the part of both parties to resolve their differences in a peaceful manner. We have encouraged them to pursue that; therefore, we were concerned by the recent actions in the Taiwan Strait. I do see some hope in the last few days that there is a return to a more orderly and peaceful relationship. That is certainly what we are urging both the Chinese and the Taiwanese to do. Mr. Prime Minister...

[Hashimoto] When the situation involving the Taiwan Strait got very tense, we urged the concerned parties of the two sides to follow the dictates of reason. Moreover, as far as we are concerned, we have persisted in supporting the argument that there is only one China since we signed the Joint Japan-China Declaration. Based on this fact, we sincerely hope that the concerned parties of the two sides will settle this issue in a peaceful way.

[Unidentified official] The next one please. The one over there, please. Yes, the Japanese over there, please.

[Shinohara] I am Shinohara from NIHON KEIZAI SHIMBUN. I would like to address my questions to both the prime minister and President.

Before coming to Japan, President Clinton went to the ROK and announced a plan to hold four-way talks between China, the ROK, North Korea, and the United States on the Korean Peninsula issue with an aim to signing a peace accord. However, how can Japan join the talks? How is the United States going to tell Japan to play a role? How can Japan show the United States, China, the ROK, or North Korea that it can play a role? This is one thing.

The joint declaration on security matters clearly states that the 100,000 troop level will be maintained in East Asia. Regarding the U.S. Forces in Japan, however, my understanding is that the 47,000 troop level was not specifically mentioned. Mr. President, can you tell us, while keeping in mind the future situation in east Asia of course, if the 47,000 is fixed or will it be changed flexibly in the future?

[Clinton] First, let me answer the second question. We are committed to maintaining a constant level of troops in East Asia. How many troops we have on any given day and any given week in Japan and Korea will vary from time to time depending on what other things are going on in the world and the area. But, we believe we should maintain our participation at more or less the same the level here in Japan. We believe we can honor our commitments that Secretary Perry and the prime minister have just announced; that the prime minister took such a leading role at trying to, in bringing about

with regard to Okinawa, and on the other issues, and still keep about 47,000 people here.

On the Korea issue, I want to make it clear that the proposal we made was that these four nations would make, would enter, into the peace negotiations because the United States and China were parties to the armistice agreement, as was Korea 43 years ago. But it is obvious to everyone I think that there will never be a peace between the Korean people until they agree to the peace. Ultimately, I think this means that it will have to be supported by all the friends and neighbors of Korea who have a large say in what kind of future any peaceful resolution would bring about. So, I was very gratified when the prime minister expressed his support for the proposal that President Kim and I made yesterday. I hope that others in the region would do so as well. I hope they will be a part of encouraging North and South Korea to make peace and to discuss what might come about after it is over if they do make peace.

[Hashimoto] When I heard the announcement of that proposal, I was truly happy to learn the contents of the proposal. I prayed from my heart that discussions between the United States, China, the ROK, and North Korea-without any preconditions on the Korean Peninsula situati a would truly become a starting point of peace. And, I am of the view that Japan, if asked, should play any role it can. However, it is a fact that a line has been drawn between the ROK and the DPRK on the Korean peninsula. The United States and China, which took part in working out the armistice agreement, will join discussions between the two countries. Given the situation. I think that Japan should not voluntarily and positively say it wants to do this or that. It is only natural for Japan to do best in fulfilling roles that are asked and to make efforts to restore peace.

[Unidentified official] Next question, please. The lady over there in the red dress, please.

[Matsuyama] I am Kaori Matsuyama, a newscaster with Fuji Television. I would like to ask Prime Minister Hashimoto and President Clinton a question in regard to the common agenda which was referred to during the news conference. It is said that new areas for Japanese-U.S. cooperation have now been officially added to the common agenda. I believe that the section on antiterrorist measures announced as one of the new areas for bilateral cooperation calls for strengthening cooperation between the two countries. As you know, last year, Japan witnessed the outbreak of the Aum Shinrikyo religious cult incident, a series of large-scale terrorist acts that Japan had never experienced in the past. I would like to know what specific measures Japan and the United States plan to take to join hands to deal

with such terrorist activities. For example, are there any plans for the FBI and the CIA to exchange information on a regular basis with Japanese police and judicial authorities? That is all, thank you.

[Clinton] Well, of course, the details would have to be worked out but let me just - if I could sketch a framework that I would be thinking about. Nations like ours, as borders become more open, money and information are transferred in a millisecond all across the world, and we all become more integrated, we become vulnerable to two kinds of terrorism. First of all, what you might call home- grown terrorism what you experienced in the Japanese subway, what we experienced at Oklahoma City. Secondly, terrorism that is generated, or at least involves, interest from beyond your borders - such as what we experienced at the World Trade Center, in New York and a number of the proposed attacks that we were able to thwart. It is obvious to me that these kinds of attacks present a genuine threat not only to the lives of the innocent civilians who may be killed in them, but to the whole idea of an open, civilized society in a global economy. Therefore, I think we ought to cooperate in two ways. First of all, there is a lot of information we ought to be sharing with regard to international terrorism; and there's a lot of work we can be doing together. Secondly, we can learn a lot from each other about how to deal with home-grown terrorism, and even that may have an international aspect. Are people learning, for example, from the Internet how to make the same sort of trouble in the United States that was made in Japan with sarin gas? Isn't it a concern that anybody anywhere in the world can pull down off the Internet the information about how to build the bomb like the bomb that blew up the federal building in Oklahoma City? How can we work together to learn from each other about how to prevent these things before they occur when they're purely domestically-driven, as well as sharing information and technology in law enforcement, about the international terrorists and networks that are out there. I predict to you that every great nation will have to face this for the next 20 years at least, and we just want to be on the cutting edge of showing that we can work together to save lives and to preserve freedom.

[Hashimoto] If I can add to what the President has already said, we already have cooperation, for example in regard to drug-related crimes, in taking joint action against money laundering. We have made progress in such activities. As to how we actually go about doing that, however, I ask you understanding that this cannot be disclosed. However, there are areas where we have made progress in bilateral cooperation, as in the case

of measures against money laundering. There may be many ways to fight terrorism.

[Unidentified official] Next question, please.

[Askin, speaking in English] Paul Askin with United Press International. Mr. President and Mr. Prime Minister, for both of you, the joint declaration you've just signed describes the U.S. military role in Japan is essential to protecting the security of Asia. How have you concluded the U.S. military is essential here, and what circumstances need to change, either in Japan or elsewhere in Asia, before U.S. troops can safely go home?

[Clinton] Well, first of all, I believe that our presence is needed here as long as people have any fear at all that some countries might seek to dominate others or that Asia might become a battleground for any sort of security problem that would affect the freedom and independence and safety of the people of Japan or our other allies in the area. When that time comes to an end, I think will largely be for the people here to determine, although obviously we would want our views heard as well. One of the most gratifying things to me as President is that where we are involved in security partnerships as we are in Asia. I believe that we are seen as a force of stability by our very presence there because of the capacity of our military and the fact that everyone knows we have no ulterior motives, that is we seek no advantage, we seek to dominate no country, we seek to control no control, we seek to do nothing in any improper way with our military power.

We're only here with our allies in Korea and Japan, obviously, and to serve as a source of security and stability to others throughout this region. As long as there is any concern about that, I think we should be here if the people here want us here. When that time is over, we'll probably all know it, but I think that definition should flow primarily from the people who have been our allies over the decades and whose security we care so deeply about.

[Hashimoto] Let me answer by picking up from where the President left off. I truly believe that we sincerely welcome the presence of U.S. military forces here in this region and that this is contributing to the stability of the Asia-Pacific region. That is the most important thing, above all. After the end of the Cold War, in which East and West blocs were in confrontation, major sources of confrontation have certainly disappeared. However, as indicated in previous questions, regional conflicts have increased, as a matter of fact. There are numerous regions of instability due to various reasons, and there still exist many weapons of mass destruction in these regions. Under these circumstances, it would not only require considerable effort on our part if we attempt

to ensure our own security all alone, but it is unlikely that we would be able to ease global concerns over our endeavors. I believe that you can naturally understand how the U.S. presence, with young American soldiers actually being here, contributes greatly to stability in this region.

[Unidentified official] Time is limited, but since this is an invaluable opportunity, I would like to invite one more Japanese reporter and one more American reporter to ask questions. First, a Japanese reporter, please.

[Negishi] I am Negishi with Nippon Television. Mr. Fresident, in regard to the very first question, I believe the latest agreement between you and the prime minister will trigger a major change in Japan's national security. I would like to hear your comments on this.

[Clinton] My view is that it will reinforce our community — excuse me, our security relationship — not represent a turning point, but a maturing of it. For example, when the prime minister asked us to consider the concerns of the people of Okinawa, and I became acquainted with him as a result of some of the unfortunate incidents that you know well about, it bothered me that these matters had not been resolved before now, before this time. And again I want to publicly say what I said to the prime minister last night; I want to thank him for giving the United States the opportunity to respond in an appropriate manner to try to resolve these matters. But we did it in a way that did not in any way undermine our own security or defense capability and, therefore, permits us to cooperate with Japan in whatever way may be necessary as challenges come along in the future and as Japan defines its own security agenda. So, I don't see this as a dramatic departure. I see this as a relationship between two old friends maturing, dealing with things that need to be dealt with, and adjusting to the challenges of the world that we now face.

[Unidentified official] Finally, a U.S. reporter, please.

[Williams, speaking in English] [First name indistinct] Williams of NBC News. Mr. President, are you up to date on the apparent discovery of Ebola virus in Texas, and what can the federal government do? I guess we have the CDC [Centers for Disease Control] to make sure that no kind of scare develops from this.

[Clinton] Yes, I have been briefed on it this morning. The CDC is on top of it. We're working with the Texas health officials. We believe, based on what we now know, that there is no substantial threat to the general population of the people there or of the people of the United States generally. So, I can say that I would urge people not to overreact to this. It's a serious matter. We're on top of it. If the facts change and we think

there is something more to be concerned about, you may be sure we will inform the American people as soon as we can. But for now, I'm confident that the federal government is taking appropriate action, and that we're on top of it, and there is nothing for the people to overreact to at this moment.

[Unidentified official] Prime Minister Hashimoto, President Clinton, thank you very much. And with this, we conclude the press conference.

### Japanese Premier, U.S President Present Joint Message

OW1704060796 (Internet) Japanese Ministry of Foreign Affairs WWW in English 17 Apr 96

["Message from Prime Minister Hashimoto and President Clinton to the Peoples of Japan and the United States" from the "What's New" link of the special Clinton home page]

[FBIS Transcribed Text]

### Meeting the Challenges of the 21st Century

Japan and the United States approach the twentyfirst century as allies and partners with shared values, interests and hopes. Our relationship is of bilateral, regional and global importance. We face the challenges of tomorrow strengthened by years of common tests, experiences and cooperation.

Our alliance is central to peace, stability and prosperity in the Asia-Pacific region. Japan-U.S. security arrangements are vital to both nations.

Our economic activities inseparably bind the lives of our two peoples. The enormous flows of trade, investment and finance between Japan and the United States are vital to our own prosperity and the health of the world economy.

Our diplomatic cooperation has helped to bring peace to troubled regions, combat terrorism, reduce nuclear dangers, strengthen the functions of the United Nations, and promote democracy and development around the world.

We have promoted cooperation and a sense of community among the countries in the Asia-Pacific region. Together under our Common Agenda, we are addressing vital global issues, such as protection of the environment, that neither country can solve alone.

Friendship and people-to-people exchange among Japanese and Americans have drawn our two countries closer, increasing trust and helping to deepen understanding.

We, the leaders of Japan and the United States, have today reviewed the past achievements of the Japan-U.S. relationship. We have discussed the enormous changes in the world, the challenges that lie ahead, and the active and cooperative roles that our two countries can play in order to build a more peaceful and prosperous Pacific community and a better world. To guide our future cooperation, we declare the following.

- For more than a year, the governments of Japan and the United States conducted an intensive review of the evolving political and security environment of the Asia-Pacific region and of various aspects of the Japan-U.S. security relationship. The results are reflected in the "Japan-U.S. Joint Declaration on Security Alliance for the 21st Century."
- 2. This review reaffirmed that the bilateral security relationship, based on the Treaty of Mutual Cooperation and Security between Japan and the United States, remains the cornerstone for achieving common security objectives and for maintaining a stable and prosperous environment for the Asia-Pacific region as we enter the twenty-first century.
- 3. The two governments will continue their close diplomatic consultation and cooperation, which have contributed to peace, prosperity and democracy in the world. In particular, they are committed to trilateral cooperation with the Republic of Korea to promote peace and stability on the Korean peninsula. They will also work closely to build peace in the Middle East and they are pleased that each government is making substantial contributions to humanitarian relief and to reconstruction in the former Yugoslavia.
- 4. The two governments will also cooperate to promote the spread of democracy, the rule of law, and the guarantee of basic human rights, so that all peoples can enjoy the benefits of freedom and the protection of a vigorous legal system.
- 5. The governments of Japan and the United States will join in bringing about meaningful reform of the United Nations system, including financial reform, reform of economic, social and development programs, and reform of the Security Council, to make the United Nations more effective. They will work with other UN members to achieve a broad framework for reform by fall 1996. In this context, the United States strongly supports the addition of Japan as a permanent member of the Security Council.
- 6. Both governments will work to hasten the completion of negotiations on the Comprehensive Test Ban Treaty (CTBT) with the goal of signature by the fall of this

year. They reaffirmed the importance of the commitment by nuclear weapons states at the NPT Review and Extension Conference last year to exercise utmost restraint pending the entry into force of the CTBT. They will continue to seek universal adherence to the Nuclear Non-Proliferation Treaty and to support systematic and progressive efforts to reduce nuclear weapons globally with the ultimate goal of eliminating those weapons. The two governments emphasized the importance of bringing the Chemical Weapons Convention into force at the earliest possible date to prohibit chemical weapons and to reduce the threat of their use as instruments of war or terrorism. They agree on the need for prompt ratification of the Convention by the United States and other signatories.

- 7. The two governments will cooperate to bring about the early start of work under the Wassenaar Arrangement as the first global regime to address dangers posed by transfers of conventional arms and sensitive dual-use goods and technologies. They endorse ongoing efforts to strengthen the protocol on the use of land mines in the Convention on Conventional Weapons and encourage further international efforts to control the production, stockpiling and transfer of anti-personnel land mines. The two governments urge the fullest possible participation in the United Nations Register of Conventional Arms.
- 8. The two governments will cooperate to strengthen multilateral mechanisms to counter the threat of chemical, biological and nuclear terrorism. Both countries will work to support greater law enforcement cooperation among nations. They will encourage all states to make efforts to become parties to, and to abide by, international treaties and conventions against terrorism. In addition, the two governments will intensify research and development of technologies to deter, detect and apprehend terrorists.
- 9. As the world's two largest national economies, Japan and the U.S. reaffirm their important responsibility for effective management of the world economy and for the strengthening of the multilateral free trade system. The two governments will cooperate to ensure the success of the first World Trade Organization (WTO) Ministerial Conference to be held in Singapore in December this year.
- 10. The two governments will enhance their cooperation in the work under way to strengthen the international economic system, including ensuring the effectiveness of institutions such as the World Trade Organization, the World Bank and the International Monetary Fund.
- 11. Both governments reaffirm their commitment to a balanced and mutually beneficial economic relationship

and to the Framework for a New Economic Partnership and its basic objectives, including its goals: to deal with structural and sectoral issues in order substantially to increase access and sales of competitive foreign goods and services through market opening and macroeconomic measures; to increase investment; to promote international competitiveness; and to enhance bilateral economic cooperation between Japan and the United States.

- 12. For more than two years, through the process of the Framework talks and other consultations, the two governments have successfully addressed economic and trade issues of global significance, in a manner consistent with international rules. These arrangements and measures will be implemented fully, and both governments will give priority attention to the remaining work of the Framework and cooperate to resolve expeditiously any economic and trade issues which may arise.
- 13. The two governments welcome the progress that has been achieved so far under the Framework in the macroeconomic area, including budget deficit reduction in the United States and reduction in Japan's current account surplus. They recognize the need to continue their efforts to strengthen the basis for sustained growth and will continue to cooperate to this end.
- 14. APEC is the centerpiece for promoting broad economic cooperation in the Asia-Pacific region. The Action Agenda adopted in Osaka last year provides a long-term, comprehensive course toward realization of the goals of free and open trade and investment and the promotion of economic and technical cooperation in the Asia-Pacific region, as set forth in the 1994 Bogor Declaration. The two governments will cooperate closely to advance APEC's objectives and to ensure the success of the meetings in the Philippines this November.
- 15. The Common Agenda for Cooperation is an amportant example of how Japan and the United States work together on critical global issues to improve the future of the Asia-Pacific region and the world. Common Agenda projects are helping to curb the spread of HIV/AIDS, combat narcotics production and trafficking, limit population growth, eradicate polio in Asia, expand educational opportunities for girls, preserve coral reefs in the Pacific, promote technology cooperation, and develop human resources.
- 16. The two governments will expand the work of the Common Agenda to combat infectious diseases, improve global food supply, strengthen civil society and support democratization in developing and newly emerging countries, mitigate the damage from natural

disasters, expand the use of technology in education, and combat terrorism. They will also explore the opportunity for new areas of cooperation under the Common Agenda on concepts for economic and social development that are compatible with preserving nature and environment in the twenty-first century. Both governments urge the private sector to support the Common Agenda and welcome third-country participation in Common Agenda projects.

17. The two governments will further promote exchange programs between young people of the two countries. From this standpoint the U.S. government greatly appreciates the comprehensive initiative of the government of Japan to provide opportunities for American high school students, college and graduate students, college graduates, teachers, researchers, artists, and other young people to learn about Japan. Both governments expect that the Japan-United States Conference on Cultural and Educational Interchange (CULCON) will continue to contribute to the wide range of exchanges between Japan and the United States. The two governments will also promote interaction between Japan Overseas Cooperation Volunteers and members of the U.S. Peace Corps.

Japan and the United States enjoy a relationship that is based on common values and interests and on the friendship and trust that have developed between individual Japanese and Americans over the years. We renew our determination to build on this cooperation and friendship to strengthen further the bilateral relationship between Japan and the United States. Tokyo, April 17, 1996

Prime Minister of Japan President of the United States

### Japan: Ikeda, U.S. Commerce Secretary Confirm Economic Ties

OW1704011596 Tokyo KYODO in English 0101 GMT 17 Apr 96

[FBIS Transcribed Text] Tokyo, April 17 KYODO

— Foreign Minister Yukihiko Ikeda and new U.S.
Secretary of Commerce Mickey Kantor on Wednesday
[17 April] confirmed the importance of the Japan-U.S.
economic relationship.

In a 30-minute breakfast meeting, Ikeda told Kantor that economic relations between the two countries are in good shape, a Foreign Ministry official said.

Kantor, who replaced the late Ron Brown last week, replied the administration of U.S. President Bill Clinton is fully committed to a "strong" bilateral relationship, the official said.

He added that Clinton, in his summit with Prime Minister Ryutaro Hashimoto later in the day, will touch on three key trade issues currently in dispute—insurance, semiconductors and photographic film.

Clinton arrived in Japan on Tuesday for a three-day state visit, the first by a U.S. president in four years.

### Japan: Decision To Defer Insurance Talks Settlement Viewed

OW1704005196 Tokyo ASAHI SHIMBUN (Morning Edition) in Japanese 16 Apr 96 p 11

[Article by Hiroaki Ito]

[FBIS Translated Text] Washington, 14 Apr — On 13 April, Japan and the United States tentatively broke off negotiations over the insurance services sector and agreed to continue negotiations, setting 1 June as a deadline. High hopes had been placed on concluding the trade talks before U.S. President Bill Clinton's planned visit to Japan. To begin with, differences in Japanese and U.S. interpretations of a previous accord led to this unusual development where the two countries decided to "hold talks over again." However, regarding the subsequent response to this situation, disputes have emerged between the insurance circles and the Ministry of Finance [MOF], between the MOF and the Ministry of Foreign Affairs [MOFA], and between MOF officials and Japanese officials in charge of the trade negotiations. This rift continued to burden Japanese officials throughout the negotiations.

"We have reached agreement in the best form." These were the remarks made proudly by Charles Lake, then director of Japanese affairs at the Office of the U.S. Trade Representative [USTR], after Japan and the United States reached an agreement on insurance talks in 1994. However, when Japanese life and nonlife insurance companies began preparing to set up subsidiary firms to enter the so-called third sector services prior to the new law on insurance services taking effect in April, the United States interrupted, saying: "That is not right." This showed that Japan and the United States had different interpretations of their agreement.

According to the Japanese interpretation, Japanese life and nonlife insurance companies "can provide limited services" if they want to enter the third sector where foreign-affiliated insurance companies enjoy protection. On the other hand, the United States claimed that "unless there is actual liberalization of the life and nonlife sectors, subsidiary firms should not be allowed to enter, as it would be a violation of the agreement."

When the talks were resumed, MOF officials, while insisting that their "interpretation is correct," proposed,

among other ideas, that a mail order system be introduced to allow foreign-affiliated insurance firms to sell automobile insurance in the nonlife insurance sector and that nonlife insurance firms be allowed to pull out from rating organizations so they can freely set their own premiums.

Meanwhile, however, discord began to spread in Japan. Regarding differences between Japan and the United States on the interpretation of the initial accord, a MOFA official who attended the trade negotiations and participated in drawing up the accord claimed that the MOF was responsible, saying: "When they began negotiating on the third sector services, we MOFA officials were forced to leave the room." He even criticized the MOF, saying: "If you look at the text of the agreement, the U.S. interpretation is natural."

Japanese insurance companies, which had been running around desperately to set up subsidiary firms, began showing resentment as they suddenly had the carpet pulled out from under their feet. Although Eisuke Sakakibara MOF International Finance Bureau [IFB] director general, presented a new proposal toward the latter part of the negotiations, some critics complained: "There was no advance explanation at all. The insurance services industry may fall into chaos."

Moreover, some officials at the Insurance Department, which, among other departments within the MOF, has close ties with the insurance services industry, expressed dissatisfaction with the IFB, which was in charge of the negotiations. At the negotiating table in Los Angeles in early April, Japanese negotiators proposed introducing a mail order system for selling automobile insurance. However, U.S. negotiators asked: "What kind of insurance programs will be authorized for sale and when will it start?" In bewilderment, a senior Insurance Department official replied: "It will take two years just to decide on what insurance programs can be sold." In this way, a rift among Japanese officials surfaced.

Because the Japanese negotiating team had to make arrangements with Prime Minister Ryutaro Hashimoto and Japanese industrial circles up until the eleventh hour, it was even unable to actually sound out the USTR on the schedule of the negotiations until immediately before Sakakibara's departure. In the end, the only task left for the Japanese negotiating team, which arrived in Washington late at night on 11 April without completing arrangements in Japan, was to minimize the adverse effects on the Japan-U.S. summit meeting by avoiding giving the impression that the negotiations had broken down.

Japan: Joint Security Declaration Signed With U.S. OW1604164396 Hong Kong AFP in English 1634 GMT 16 Apr 96

[Embargoed until 0430 GMT 17 April]

[FBIS Transcribed Text] Tokyo, April 17 (AFP) — The United States and Japan issued a joint security declaration here Wednesday [17 April] calling for cooperation between the two countries in "areas surrounding Japan" and further expansion of ties with China.

The statement on their Alliance for the 21st Century, released after talks between President Bill Clinton and Prime Minister Ryutaro Hashimoto, also called for keeping about 100,000 American troops in the Asia-Pacific region, including "about the current level in Japan" which is 47,000 personnel.

"Our alliance continues to underlie the dynamic economic growth in the region. The two leaders agreed that the future security and prosperity of both the United States and Japan are tied inextricably to the future of the Asia-Pacific region," the declaration said.

During their meeting, Clinton and Hashimoto "stressed the importance of peaceful resolution of problems in the region.

"They emphasized that it is extremely important for the stability and prosperity of the region that China play a positive role, and in this context stressed the interest of both countries in furthering cooperation with China."

The process of reform in Russia "contributes to regional and global stability, and merits continued encouragement and cooperation," the declaration added, calling for full normalisation of relations between Tokyo and Moscow.

"Stability on the Korean Peninsula is vitally important," it said, adding that Clinton and Hashimoto reaffirmed that both countries would continue to make "every effort" in this regard in "close cooperation" with South Korea.

With the possibility of global armed conflict had receded since the end of the Cold War, the region has become the most dynamic area in the world. "We are witnessing the emergence of an Asia-Pacific community," the declaration said.

"At the same time, instability and uncertainty persist in the region. Tensions continue on the Korean Peninsula. There are still heavy concentrations of military force, including nuclear arsenals. "Unresolved territorial disputes, potential regional conflicts and the proliferation of weapons of mass destruction and their means of delivery all constitute sources of instability," it added.

The two leaders reiterated that the relationship based on the US-Japan security treaty of 1960 "remains the cornerstone for achieving common security objectives and for maintaining a stable and prosperous environment for the Asia-Pacific region as we enter the twenty-first century."

Clinton and Hashimoto agreed that cooperation was the "most effective framework for the defence of Japan" based on a combination of "appropriate defence capabilities" for Japanese forces and bilateral security arrangements.

The two leaders also agreed that the continued US military presence was "essential" for preserving regional peace and stability, with the bilateral security relationship an "essential pillar" of the positive US engagement.

They agreed to launch a review of 1978 guidelines for bilateral security cooperation while promoting "policy coordination" between the two countries.

Such coordination should include "studies on bilateral cooperation dealing with situations that may emerge in the areas surrounding Japan and which will have an important influence on the peace and stability of Japan."

The two leaders welcomed Monday's agreement for Japan to provide logistical support to American troops along with an interim report calling for the return of about 20 percent of the land occupied by the US military in Okinawa, expressing their "firm commitment" to resolving the Okinawa issue by November.

### Japan: Text of Joint Declaration on U.S. Alliance Reported

OW1604232996 Hong Kong AFP in English 1750 GMT 16 Apr 96

[Embargoed by AFP until 0430 GMT 17 April]

[FBIS Transcribed Text] Tokyo, April 17 (AFP) — The full text of the US-Japan joint declaration on security, the Alliance for the 21st Century, released here Wednesday [17 April] after talks between President Bill Clinton and Prime Minister Ryutaro Hashimoto:

 Today, the President and the Prime Minister celebrated one of the most successful bilateral relationships in history. The leaders took pride in the profound and positive contribution this relationship has made to world peace and regional stability and prosperity. The strong Alliance between the United States and Japan helped ensure peace and security in the Asia-Pacific region during the Cold War. Our Alliance continues to underlie the dynamic economic growth in this region. The two leaders agreed that the future security and prosperity of both United States and Japan are tied inextricably to the future of the Asia-Pacific region.

The benefits of peace and prosperity that spring from the Alliance are due not only to the commitments of the two governments, but also to the contributions of the Japanese and American people who have shared the burden of securing freedom and democracy. The President and the Prime Minister expressed their profound gratitude to those who sustain the Alliance, especially those Japanese communities that host US Forces, and those Americans who, far from home, devote themselves to the defense of peace and freedom.

2. For more than a year, the two governments have conducted an intensive review of the evolving political and security environment of the Asia-Pacific region and of various aspects of the US-Japan security relationship. On the basis of this review, the President and the Prime Minister reaffirmed their commitment to the profound common values that guide our national policies: the maintenance of freedom, the pursuit of democracy, and respect for human rights. They agreed that the foundations for our cooperation remain firm, and that this partnership will remain vital in the twenty-first century.

### THE REGIONAL OUTLOOK

3. Since the end of the Cold War, the possibility of global armed conflict has receded. The last few years have seen expanded political and security dialogue among countries of the region. Respect for democratic principles is growing. Prosperity is more widespread than at any other time in history, and we are witnessing the emergence of an Asia-Pacific community. The Asia-Pacific region has become the most dynamic area of the globe.

At the same time, instability and uncertainty persist in the region. Tensions continue on the Korean Peninsula. There are still heavy concentrations of military force, including nuclear arsenals. Unresolved territorial disputes, potential regional conflicts, and the proliferation of weapons of mass destruction and their means of delivery all constitute sources of instability.

### THE US-Japan ALLIANCE AND THE TREATY OF MUTUAL COOPERATION AND SECURITY

4. The President and the Prime Minister underscored the importance of promoting stability in this region and dealing with the security challenges facing both countries.

In this regard, the President and the Prime Minister reiterated the significant value of the Alliance between the United States and Japan. They reaffirmed that the US-Japan security relationship, based on the Treaty of Mutual Cooperation and Security between the United States of America and Japan, remains the cornerstone for achieving common security objectives, and for maintaining a stable and prosperous environment for the Asia-Pacific region as we enter the twenty-first century.

(a) The Prime Minister confirmed Japan's fundamental defense policy as articulated in the new "National Defense Program Outline" adopted in November, 1995, which underscored that the Japanese defense capabilities should play appropriate roles in the security environment after the Cold War. The President and the Prime Minister agreed that the most effective framework for the defense of Japan is close defense cooperation between the two countries.

This cooperation is based on a combination of appropriate defense capabilities for the Self-Defense Forces of Japan and the US-Japan security arrangements. The leaders again confirmed that US deterrence under the Treaty of Mutual Cooperation and Security remains the guarantee for Japan's security.

(b) The President and the Prime Minister agreed that continued US military presence is also essential for preserving peace and stability in the Asia-Pacific region. The leaders shared the common recognition that the US-Japan security relationship forms an essential pillar which supports the positive regional engagement of the United States.

The President emphasized the US commitment to the defense of Japan as well as to peace and stability in the Asia-Pacific region. He noted that there has been some adjustment of US forces in the Asia-Pacific region since the end of the Cold War. On the basis of a thorough assessment, the United States reaffirmed that meeting its commitments in the prevailing security environment requires the maintenance of its current force structure of about 100,000 forward deployed military personnel in the region, including about the current level in Japan.

(c) The Prime Minister welcomed the US determination to remain a stable and steadfast presence in the region. He reconfirmed that Japan would continue appropriate contributions for the maintenance of US forces in Japan, such as through the provision of facilities and areas in accordance with the Treaty of Mutual Cooperation and Security and Host Nation Support. The President expressed US appreciation for Japan's contributions, and welcomed the conclusion of the new Special Measures Agreement which provide financial support for US forces stationed in Japan.

### BILATERAL COOPERATION UNDER THE US-Japan SECURITY RELATIONSHIP

- The President and the Prime Minister, with the objective of enhancing the credibility of this vital security relationship, agreed to undertake efforts to advance cooperation in the following areas.
- (a) Recognising that close bilateral defense cooperation is a central element of the US-Japan alliance, both governments agreed that continued close consultation is essential. Both governments will further enhance the exchange of information and views on the international situation, in particular the Asia-Pacific region. At the same time, in response to the changes which may arise in the international security environment, both governments will continue to consult closely on defense policies and military postures, including the US force structure in Japan, which will best meet their requirements.
- (b) The President and the Prime Minister agreed to initiate a review of the 1978 Guidelines for US-Japan Defense Cooperation to build upon the close working relationship already established between the United States and Japan.

The two leaders agreed on the necessity to promote bilateral policy coordination, including studies on bilateral coop. Stion in dealing with situations that may emerge in the areas surrounding Japan and which will have an important influence on the peace and security of Japan.

- (c) The President and the Prime Minister we womed the April 15, 1996 signature of the Agreement Between the Government of the United States of America and the Government of Japan Concerning Reciprocal Provision of Logistic Support, Supplies and Services Between the Armed Forces of the United States of America and the Self-Defense Forces of Japan, and expressed their hope that this agreement will further promote the bilateral cooperative relationship.
- (d) Noting the importance of interoperability in all facets of cooperation between the US forces and the Self-Defense Forces of Japan, the two governments will enhance mutual exchange in the areas of technology and equipment, including bilateral cooperative research and development of equipment such as the support fighter (F-2).
- (e) The two governments recognized that the proliferation of weapons of mass destruction and their means of delivery has important implications for their common

security. They will work together to prevent proliferation and will continue to cooperate in the ongoing study on ballistic missile defense.

6. The President and the Prime Minister recognised that the broad support and understanding of the Japanese people are indispensable for the smooth stationing of US forces in Japan, which is the core element of the US-Japan security arrangements. The two leaders agreed that both governments will make every effort to deal with various issues related to the presence and status of US forces. They also agreed to make further efforts to enhance mutual understanding between US forces and local Japanese communities.

In particular, with respect to Okinawa, where US facilities and areas are highly concentrated, the President and the Prime Minister reconfirmed their determination to carry out steps to consolidate, realign, and reduce US facilities and areas consistent with the objectives of the Treaty of Mutual Cooperation and Security. In this respect, the two leaders took satisfaction in the significant progress which has been made so far through the "Special Action Committee on Okinawa" (SACO) and welcomed the far reaching measures outlined in the SACO Interim Report of April 15, 1996. They expressed their firm commitment to achieve a successful conclusion of the SACO process by November 1996.

#### REGIONAL COOPERATION

7. The President and the Prime Minister agreed that the two governments will jointly and individually strive to achieve a more peaceful and stable security environment in the Asia-Pacific region. In this regard, the two leaders recognised that the engagement of the United States in the region, supported by the US-Japan security relationship, constitutes the foundation for such efforts.

The two leaders stressed the importance of peaceful resolution of problems in the region. They emphasized that it is extremely important for the stability and prosperity of the region that China play a positive and constructive role, and in this context, stressed the interest of both countries in furthering cooperation with China. Russia's ongoing process of reform contributes to regional and global stability, and merits continued encouragement and cooperation. The leaders also stated that full normalisation of Japan-Russia relations based on the Tokyo Declaration is important to peace and stability in the Asia-Pacific region. They noted also that stability on the Korean Peninsula is vitally important to the United States and Japan and reaffirmed that both countries will continued to make every effort in this regard, in close cooperation with the Republic of Korea.

The President and the Prime Minister reaffirmed that the two governments will continue working jointly and with other countries in the region to further develop multilateral regional security dialogues and cooperation mechanisms such as the ASEAN Regional Forum, and eventually, security dialogue regarding Northeast Asia.

#### GLOBAL COOPERATION

8. The President and the Prime Minister recognised that the Treaty of Mutual Cooperation and Security is the core of the US-Japan Alliance, and underlines the mutual confidence that constitutes the foundation for bilateral cooperation on global issues.

The President and the Prime Minister agreed that the two governments will strengthen their cooperation in support of the United Nations and other international organisations through activities such as peacekeeping and humanitarian relief operations.

Both governments will coordinate their policies and cooperate on issues such as arms control and disarmament, including acceleration of the Comprehensive Test Ban Treaty (CTBT) negotiations and prevention of the proliferation of weapons of mass destruction and their means of delivery.

The two leaders agreed that cooperation in the United Nations and APEC, and on issues such as the North Korean nuclear problem, the Middle East peace process, and the peace implementation process in the former Yugoslavia, helps to build the kind of world that promotes our shared interests and values.

#### CONCLUSION

9. In concluding, the President and the Prime Minister agreed that the three legs of the US-Japan relationship — security, political, and economic — are based on shared values and interests and rest on the mutual confidence embodied in the Treaty of Mutual Cooperation and Security. The President and the Prime Minister reaffirmed their strong determination, on the eve of the twenty- first century, to build on the successful history of security cooperation and to work hand-in-hand to secure peace and prospering for future generations.

### Japan: Foreign Ministry on Aiding U.S.-Japan Common Agenda

OW1704085696 (Internet) Japanese Ministry of Foreign Affairs WWW in English 17 Apr 96

["United States-Japan Common Agenda — A Partnership for the 21st Century" on 17 April from the "What's New" link of the special Clinton home page]

[FBIS Transcribed Text] The U.S.-Japan partnership, forged over the past 50 years, is critical to meeting the security, economic and global challenges of the 21st century. Our two countries share common values and a common vision for the next century of a secure, stable, and prosperous Pacific community and the world. This thriving partnership encompasses not only our economic and security concerns, but also a commitment to address emerging transnational issues.

To further cooperation on global issues, President Clinton and then-Prime Minister Miyazawa launched Common Agenda for Cooperation in Global Perspective ("Common Agenda") in July 1993 as part of the U.S.-Japan Framework for a New Economic Partnership. Since its inception, the Common Agenda has emerged as one of the world's most successful partnerships in addressing critical global challenges in areas as diverse as health and population, environment, narcotic drugs trafficking, technology and economic development.

The Common Agenda has become a model of cooperation, enabling us to combine expertise and pool resources in addressing global issues. By working together, we can accomplish much more than we can alone.

#### Highlights of Existing Common Agenda Projects

Now Approaching its third anniversary, the Common Agenda encompasses over twenty projects in five broad categories:

To promote "Health and Human Development," the Governments of the United States and Japan have helped virtually to eradicate polio in the Western Pacific, have made significant progress in Southeast Asia, and aim to expand the program to Africa. Our ultimate goal is to eradicate polio worldwide by the year 2000. We are helping to make vaccines more available to children in developing countries. We will explore cooperation on the control of Iodine Deficiency Disorders and support of micro nutrient programs in developing countries. We are also working closely on the Population and HIV/AIDS Initiative in priority countries in Asia, Africa, the Middle East and Latin America. In 1995, we added the "Women in Development" initiative in order to improve

educational opportunities for girls and foster women's micro enterprises in developing countries.

To respond to "Challenges to Global Stability," both Governments decided to join forces in 1994 to address international trafficking in narcotic drugs. This project includes cooperation on law enforcement, demand reduction, chemical controls and crop substitution programs.

To help protect the "Global Environment," both Governments, with other international partners, galvanized world support in 1995 for the International Coral Reef Initiative (ICRI), a program aimed at protecting and conserving these valuable marine resources. We have also helped develop ICRI regional strategies in support of global goals and are now collaborating to support the establishment of a coral reef conservation and revearch center in the Asia-Pacific region.

Both Governments have launched joint environmental conservation efforts in Indonesia and the Philippines. In Indonesia, we have jointly funded a biodiversity program. We are also working to protect nature reserves in several Central American and Caribbean countries through the Parks-in-Peril Program. The Pacific Ocean Observation and Research Initiative and the Global Observation Information Network are underway. We will soon collaborate on Arctic research. We are also conducting joint research and development of environmentally-friendly and energy-efficient technologies, such as carbon dioxide sequestration and technologies related to chlorofluorocarbons.

To advance "Science and Technology," we have decided to cooperate in the areas of civil and industrial technology; road technology, such as intelligent transport systems; and transportation technology, such as transit measures for the elderly and handicapped.

To foster "Exchanges for Mutual Understanding," U.S. engineers are now working side-by-side with their counterparts in Japanese factories exchanging ideas on future industrial manufacturing methods.

#### **New Initiatives**

Building on the current success of the Common Agenda, President Clinton and Prime Minister Hashimoto at the April 1996 Tokyo Summit announced six new areas of cooperation:

Emerging and reemerging Infectious Diseases Initiative: Some diseases are resurging globally, surviving potent antibiotics and mutating into dangerous, new strains. This initiative aims to improve global efforts to prevent/control the spread of re-emerging diseases, such as tuberculosis, and emerging diseases. An initial meeting

of experts from both countries will be held this July in Kyoto.

Natural Disaster Reduction Initiative: As two countries which frequently experience natural disasters, both Governments have decided to strengthen international networks for exchanging data on natural disaster early warning. We have also decided to initiate an earthquake mitigation partnership to accelerate scientific/technological advances in order to reduce damage to communities from earthquakes. Both Governments will hold an earthquake symposium in autumn 1996 to bring together scientists and government officials to improve preventive and rescue measures.

Civil Society and Democratization Initiative: Working together with host countries, both Governments will explore ways to coordinate assistance to recipients in areas such as election monitoring and the strengthening of judicial systems.

Counter Terrorism Initiative: Recognizing that terrorism is a threat to the safety of citizens, the security of nations, and the prosperity of the international community, both Governments will strengthen cooperation in this area and bring ongoing bilateral cooperation on counter terrorism, including preparations for the P-8 experts meeting on biological and chemical terrorism, under the Common Agenda.

Global Food Supply Initiative: Both Governments recognize the critical problem posed by lack of reliable food supplies in countries facing hunger and malnutrition, and the importance of ensuring future global food supply capacity. We will consider collaboration in areas such as scientific/technological research to expand food production capacity and the promotion of sustainable agricultural development.

Educational Technology for the 21st Century Initiative: Education is the foundation for the well-being of society and technology will radically change the field of education. As the world's technological leaders, both Governments will explore ways of harnessing the potential of computers and other advanced technology for use in education.

### Japan: Government 'Should Study' Emergency Contingencies

OW1704042096 Tokyo KYODO in English 0355 GMT 17 Apr 96

[FBIS Transcribed Text] Tokyo, April 17 KYODO — Japan should study how it should deal with possible emergencies now that it has become a powerful country, a government spokesman said Wednesday [17 April] as U.S. President Bill Clinton began the first full day of his official duties on his three-day state visit.

If Japan considers what it should do to protect the lives and property of its people, it would find its ability to take action is limited within the framework of Japan's war-renouncing Constitution, Chief Cabinet Secretary Seiroku Kajiyama told a press conference.

But the top government spokesman noted Japan enjoys peace and prosperity thanks to a peaceful climate surrounding the country as well as its free economic system and democratic government.

Japan should act on its own to protect freedom, democracy and peace, he said.

Clinton and Prime Minister Ryutaro Hashimoto met later in the day mainly to affirm the importance of the Japan-U.S. security alliance.

### Japan: Cabinet 'Efforts' on Resolving U.S. Base Issues

OW1704070196 (Internet) Japanese Ministry of Foreign Affairs WWW in English 17 Apr 96

[Cabinet resolution "Regarding Efforts to Resolve Issues Related to United States Facilities and Areas in Okinawa" on 16 April; from the "What's New" link of the special Clinton home page]

### [FBIS Transcribed Text]

I. The Governments of Japan and the United States, bearing in mind the fact that many of the United States military facilities and areas in Japan are concentrated in Okinawa Prefecture, with a view to addresses various relevant issues, established the Special Action Committee on Facilities and Areas in Okinawa (SACO) in November 1995 under the auspices of the Japan-United States Security Consultative Committee. Since then, the Governments of Japan and the United States have conducted serious and determined study on measures to improve the situation concerning these facilities and areas as well as to effectively achieve consolidation, realignment and reduction of those facilities, while seeking to maintain harmony with the objectives of the Jagan-U.S. Security Treaty. The Japan-U.S. Security Consultative Committee Meeting held on 15 April adopted an interim report submitted by SACO outlining the progress that has been made thus far in that committee's discussions.

II. The Special Action Committee on Facilities and Areas in Okinawa (SACO) will further work on this matter, and submit the final result, by this autumn, to the Japan-U.S. Security Consultative Committee, which will include specific measures for consolidation, realignment and reduction of facilities and areas. The Government of Japan, while intensifying such study, will at an early date study, from a comprehensive point of view including legal and financial aspects, possible measures to ensure appropriate and prompt implementation of the concrete steps recommended by the SACO, and will implement appropriate measures.

III. The Government of Japan will firmly maintain the Japan-U.S. Security Treaty, and will continue to take necessary measures to fulfill its obligations under the Treaty, namely to provide necessary facilities and areas. Moreover, in order to deal with a situation in the areas surrounding Japan, which will have an important influence on national peace and security, the Government will make efforts to develop effective cooperation between Japan and the United States, pursuant to the constitution and related laws. At the same time, the Government of Japan will work together with the United States to promote multilateral dialogue and cooperation for the regional security.

### Japan: Governor Seeks Removal of All Okinawa Bases by 2015

OW1704110796 Tokyo KYODO in English 1029 GMT 17 Apr 96

[FBIS Transcribed Text] Tokyo, April 17 KYODO — Okinawa Gov. Masahide Ota on Wednesday [17 April] hailed a decision to scale down U.S. military bases in his southernmost Japanese prefecture but said local residents desire the removal of all such bases by the year 2015.

Ota told a press conference that he breathed a sigh of relief that the United States decided to return the [Marine Corps Air Station] Futenma air base to local landowners within five to seven years.

"I was relieved indeed," said Ota, who also said he appreciated, among other things, the U.S. military's decision to terminate live-fire artillery training over prefectural highway 104.

Ota also quoted Prime Minister Ryutaro Hashimoto as telling him the government will take various measures to let the Futenma base possibly be returned in four years.

Hashimoto met with the Okinawa governor after holding a summit meeting with U.S. President Bill Clinton in which they reaffirmed the importance of strong ties between their two nations based on the bilateral security treaty.

Hashimoto asked Ota for cooperation by the Okinawa prefectural government to make a joint effort with the central government for good use the lands to be returned by the U.S. and lessen uneasiness among local landowners.

Ota, however, reiterated that Okinawa residents want to see all the U.S. bases scaled down in three stages and eventually removed by the year 2015.

Noting that the economic situation in Okinawa has been sluggish with a high unemployment rate, Ota said if more land currently used by the U.S. military is returned, the prefectural government can promote development projects such as building an offshore airport.

Referring to the Japan-U.S. security treaty, Ota said if the Japanese people think it is important, all regions in Japan "should share burdens and responsibilities" equally.

The current situation is "unfair," Ota said, noting that about 75 percent of all the land in Japan reserved for U.S. military use is located in Okinawa prefecture, although it accounts for less than 1 percent of Japan's total land area.

Asked about the results of the Japan-U.S. summit meeting, Ota expressed concerns among Okinawa residents against the "globalization" of a role by the U.S. bases in Okinawa in the country's overall military operation.

"I want (the governments of the two nations) to stop expanding the scope of applying the security treaty from the far east to global," Ota said.

### Japan: Okinawans Fail To Deliver Note to U.S. Embassy

OW1704042596 Tokyo KYODO in English 0418 GMT 17 Apr 96

[FBIS Transcribed Text] Tokyo, April 17 KYODO — Landowners in Okinawa tried to deliver a written protest to the U.S. Embassy in Tokyo ahead of bilateral summit talks Wednesday [17 April], but were turned away by security guards and police.

Masao Arime, one of the protesters, said five representatives of an association of Okinawans who oppose the forced lease of their land to the U.S. Military, had planned to submit their demands to embassy representatives around noon.

The written protest denounces the reaffirmation of the U.S.-Japan security treaty in a joint declaration to be issued after the meeting between Prime Minister Ryutaro Hashimoto and U.S. President Bill Clinton as well as the continued use by the U.S. military of land for which some leases have expired, Arime said.

He said the protesters had notified the embassy a few days ago that they would be coming, but were told upon arrival that there was no one to accept the protest.

The group insisted on waiting in front of the embassy gate, but police who outnumbered them pushed the protesters away from the street in front of the embassy compound.

Arime, who owns some of the land which Kadena base occupies, said they would nonetheless try to hand over their demands again later in the day.

### Japan: MOFA Statement on Current Situation in Lebanon

OW1704083496 (Internet) Japanese Ministry of Foreign Affairs WWW in English 16 Apr 96

["Statement" by press secretary of the Japanese Ministry of Foreign Affairs on the current situation in Lebanon on 16 April; place not given; from the "What's New" link]

[FBIS Transcribed Text] 1. Japan deplores the fact that tension in Lebanon is being increased by the recent rocket attack by the Hizballah militia on the northern part of Israel, and by attacks on Lebanon, including the outskirts of Beirut, by the Israeli Forces since April 11, and that a number of innocent citizens have been killed or injured and numerous people have been driven from their homes.

- Japan is concerned that such developments in Lebanon have a negative effect on the environment of the Middle East peace process. It urges all the parties concerned to exercise the utmost self-restraint so as to avoid the worsening of the situation.
- 3. Japan has been actively participating in the Middle East peace process in such ways as attending the recent summit of the peacemakers and extending assistance to Palestinians. It intends to contribute as much as possible to the improvement of the environment for peace, including this issue.

### Japan: 'Text' of Keidanren-Russia Economic Talks Memorandum

OW1704024796 (Internet) Keidanren WWW in Japanese 11 Apr 96

["Text" of "Memorandum of the Second Joint Conference of the Japan-Russia and Russia-Japan Economic Committees" held in Tokyo from 26 to 29 March 1996; from Keidanren Clip No. 30 issued on 11 April 1996]

[FBIS Translated Text] From 26 to 29 March 1996 in Tokyo, the Second Joint Conference of the Japan-Russia and Russia-Japan Economic Committees was held. At the conference, the Japanese side was headed by Jiro Kawake, chairman of the Japan-Russia Economic Committee, and it included about 110 people. The Russian side was headed by Arkadiy Volskiy, chairman of the Russia-Japan Economic Committee and chairman of Russian Federation of Industrialists and Businessmen, and their delegation included about 70 people.

On behalf of the Japanese Government, Director General Urabe of the European and Oceanic Affairs Bureau of the Foreign Ministry and senior officials of the Ministry of International Trade and Industry [MITI] and of the Ministry of Finance participated. On behalf of the Russian Government, participants were First Vice Chairman Kof [name as received] of the State Property Management Committee, senior officials of the Economic Ministry, the Foreign Economic Relations Ministry and the Fuel and Power Engineering Ministry, Secretary General Novoselov of the Far East-Zabaykalsk Region Economic Cooperation Association, senior officials of local administrations in the Far East Siberia, and others. Deputy Vice Foreign Minister Ogura, Deputy Vice MITI Minister Yoshihiro Sakamoto, and Russian Ambassador to Japan Lyudvig A. Chizhov were present as guests. On the Japanese side, a representative of a local autonomous body was present as an observer. Congratulatory messages of Japanese Prime Minister Ryutaro Hashimoto and Russian Prime Minister Viktor S. Chernomyrdin were read at the conference.

Senior members of the Russian delegation paid courtesy calls on Foreign Minister Yukihiko Ikeda, Deputy Vice MITI Minister Sakamoto and Chairman Shoichiro Toyoda of the Japan Federation of Economic Organizations [Keidanren].

At the conference, Chairmen Kawake and Volskiy delivered keynote reports. Both chairmen confirmed that foundations are being laid for concrete action through meetings and that the current conference will become an important turning point leading to future days of economic exchange between Japan and Russia. At the same time they expressed hope for the early materialization of the fourth in a series of cooperative moves in the development of forest resources and development of petroleum and natural gas along the Sakhalin continental shelf and the early execution of surveys to see if they can pay when the four projects (projects related to the development of the Sunchevskoye coal field, expansion of Vanino harbor, improvement of transit transportation system in the Khasan district, and so forth) are launched.

Also they expressed satisfaction over the fact that imports of coal from South Yakut are continuing and over the cooperation pursued in the course of development of natural gas at Yakutiya. Both chairmen emphasized

the need for cooperation with intra-government tradeeconomy committees. Chairman Kawake pointed out that the early settlement of delayed payment problems will greatly contribute to the development of Japan-Russia economic exchange. Meanwhile, Chairman Volskiy pointed out that methods of transition to a market economy and the priority policy can be adjusted in consideration to situations, but pointed out that Russia's economic reform will not turn back. It was hoped that projects examined and proposed by both committees obtain government-level support, including that of the inter-government trade-economy committees.

Reports were given and discussions were held on two subjects: The first theme was "various problems related to domestic and foreign investments in Russia," and the second theme was "a long-range Far East development program and economic exchange between Japan and the Far East."

As for the first theme, the Russian side explained the latest investment policy and concrete trend of foreign capital flow and expressed hope for expanded investment from Japan. Although welcoming an improvement of atmosphere for investment in Russia, the Japanese side hoped that further improvement would be made. The Russian side expressed that an agreement for expediting and protecting investment is necessary. The conference pointed out the importance of a far more intimate exchange of businessmen of both countries and of Russians taking positive action to invite investments.

With relation to the first theme, the Russian side pointed out the importance of conducting presentations for investment projects in both Japan and Russia. Japan was solicited to participate in the first International Conference for Investment in the Far East to be held in May at Khabarovsk, and the Japanese side proposed a study for establishment of an access system to investment-related information in Russia. It was decided that both sides will make preparations toward their materialization.

As for the second theme, the Russian side explained in concrete terms about the long-range development program extending to the year 2005 in the Far East and the materialization of that program was emphasized to facilitate mutually beneficial trade and economic relations between the two countries. The Japanese side hoped that the concrete measures anticipated by the program would be steadily enforced and pointed out that the smooth enforcement of petroleum-natural gas development on the Sakhalin continental shelf will make a favorable contribution to the economic relations between Japan and Russia and the Russian side agreed. Also, in relation to the second theme, it was decided

that the Special Far East Committees of both sides will encourage an exchange of views and cooperation on the heels of this conference. The Russian side proposed to establish a working group to discuss problems related to Japan-Russia regional cooperation within the framework of the Special Far East Committees.

Furthermore, the conference pointed out that further attempts to develop transportation-communications relations between the two countries are important for the trade and economic relationship between Japan and Russia as a whole. In that connection, the conference welcomed the Japanese side's starting to work out feasibility study which is related to transit transportation system in the Hasan [as received] district and the Russian side hoped that feasibility study be completed in the earliest possible time. Also, at the conference, the necessity to proceed with consultation was emphasized in relation to the expanded utilization of the Siberia Land Bridge and development of the Nakhodka Special Economic Zone.

During the period of the conference, those concerned with business of both Japan and Russia held a number of meetings and various contracts and prospectuses were signed.

The conference proceeded in a frank and friendly atmosphere with determination to expedite economic exchange.

The next joint conference will be held in Moscow at a time both sides agree upon in 1997.

### Japan: Hashimoto Statement on 4-Way Talks on Korea Reported

OW1704020696 (Internet) Japanese Ministry of Foreign Affairs WWW in English 17 Apr 96

[Hashimoto statement on 16 April expressing support for proposed four-way talks between the DPRK and the ROK together with China and the United States on achieving peace on Korean peninsula; from the "What's New" link of the special Clinton home page]

[FBIS Transcribed Text] Today's proposal by President Kim Yong-sam of the Republic of Korea and President William Clinton of the United States of America for the holding of a Four-Party Meeting on Achieving Lasting Peace on the Korean Peninsula is a major, significant initiative for achieving peace and stability on the Korean Peninsula, and Japan lends it support to this proposal.

Japan hopes that this Four-Party Meeting will be realized and that tensions will be relaxed and confidence built on the Korean Peninsula as a result thereof, so that agreement can be reached to create a lasting peace to replace the current armistice agreement. Japan hopes that North Korea will accept this proposal without delay and come to the table to engage in dialogue. At the same time, Japan once again calls on North Korea to abide by the armistice agreement, and not make any movements which could damage the peace and stability of the Korean Peninsula in the interim period until such a lasting peace can be achieved.

I intend to have an exchange of views on these matters and the overall situation on the Korean Peninsula, as well as other matters, with President Clinton, who arrives in Japan today.

Furthermore, I intend to maintain close contact with the Republic of Korea and the United States regarding the situation on the Korean Peninsula.

### Japan: North Korean Government Suspected of Counterfeiting

OW1604145196 Tokyo AERA in Japanese 15 Apr 96 p 17

[Article by AERA editorial staff writer Takuro Noguchi: "Many Testimonies: Suspicion Deepens on North Korea's 'Counterfeiting U.S. Currency'"]

[FBIS Translated Text] Cases of possession and use of counterfeit \$100 bills have revived suspicion of North Korean involvement in them. Some extremely highquality counterfeit bills have been brought into Japan.

It was the end of March that 47-year-old suspect Yoshimi Tanaka, a former Japanese Red Army faction member, was arrested in Cambodia on charges of possession and use of counterfeit U.S. currency. He was in North Korea [DPRK] after a Japan Air Lines passenger plane "Yodo" was hijacked in 1970. Suspicion of North Korean involvement in the counterfeit case suddenly surfaced because Tanaka was riding a DPRK Embassy automobile with embassy personnel. Identical counterfeit bills were brought into Japan, and part of them were suspected to have originated from North Korea.

Time and again North Korea's suspected involvement in counterfeiting foreign currencies has been pointed out in the past.

As recently as the summer of 1994, four North Koreans, including one possessing a DPRK diplomatic passport, were arrested in Macao on charges of possessing several thousand counterfeit U.S. bills. But they were acquitted on the ground of "insufficient evidence."

### Bonsting About High-Level Counterfeiting Technique

Defectors from North Korea testify to the fact that the bills are printed domestically. In his memorandum "North Korea's Top Secrets," published by Bungei Shunju Co., Kang Myong-do, who defected to the ROK in May 1994 as a son-in-law of DPRK Premier Kang Song-san, pointed out, "It may be the only country that has a state-operated printing plant that turns out counterfeit foreign currencies."

According to that book, the plant is a four-story red brick building in Pyongyang, encircled by an electrified double barbed-wire fence, and it has 2,000 employees. Besides counterfeit dollar bills, it prints counterfeit passpors and driver's licenses necessary to carry out underground activities in the ROK. It has been in mass production since the latter half of 1980's; and its technique is world-class, making the counterfeit bills as fine as genuine ones in such details as inserting waste threads and watermarks especially designed by the United States. The counterfeit U.S. currency, stacked in diplomatic pouches, is hand-carried by diplomats to Macao, the Middle East, and elsewhere and converted into genuine currency through black market merchants.

An Myong-jin, a 27-year-old former soldier who sought refuge in the ROK by crossing the military demarcation line in September 1993, had this to say: "At a liaison quarters for espionage agents in Pyongyang, about 6,000 people are manufacturing small weapons and counterfeit dollar bills for espionage agents. They are also producing counterfeit ROK won, Japanese yen, and German marks. They are of such high quality that they even deceive detection devices against counterfeit currencies brought from each country. A major part of the counterfeit U.S. currency is either supplied to overseas gangster organizations, converted into genuine currency through overseas black markets, or used for purchasing purposes."

Kim Myong-chol, a 35-year-old former jewelry factory worker who fled to China in 1993, said, "One of my friends at the liaison quarters boasted, 'Our technical level of counterfeiting currencies has improved that much."

Many Japanese specialists point out that the DPRK is to be "blamed." Osamu Eya, a 47-year-old freelance journalist, said, "It is 99 percent true. Not a single suspect has been indicted because it is difficult to seize the evidence and because diplomatic checks are in effect not to make it an international issue even though such cases are exposed."

According to Eya, counterfeit U.S. currency is in circulation in the narcotics-producing "Golden Triangle" along the Thailand-Myanmar border and the Balkan Peninsula. Narcotics produced in those countries are disguised as spot products and sold at cheap prices to earn U.S. currency. After several counterfeit bills

are used to test whether they go through undetected, they are converted into genuine ones in quantity or used in merchandise transactions. Such bold action is taken because the others involved will not take the case to court because they are also engaging in illicit transactions. Eya added, "According to a U.S. Central Intelligence Agency [CIA] estimate, \$20 million worth of counterfeit U.S. currency is in circulation in Asia annually, and I think that figure naturally includes the North Korean share."

### Possibility of "State Involvement" in Scheme

The truth is still in the dark. If proven true, the country will inevitably lose international trust. Is there any need to risk such a danger?

Toshio Miyatsuka, a 48-year-old assistant professor at Yamanashi Gakuin University specializing in North Korean economics, said, "It is in need of foreign currencies because of its stagnating economy." "International trust is completely beside the question. So it calmly commits shameless offenses. The common sense of the rest of the world has nothing to do with it."

A journalist who studies North Korean affairs pointed out, "Because diplomats are poorly paid, they have to earn money for their livelihood; and earned money has to be contributed to Secretary Kim Chong-il." Thus he points out that there is a possibility of 'state involvement' by adding that "they deal in counterfeit U.S. currency and narcotics smuggling."

In reaction, early this month the North Korean side denied the charges on Radio Pyongyang, saying, "Our republic has nothing to do with the counterfeit currency case."

### Japan: Hashimoto Proposes Asian Nuclear Safety Conference

OW1604141596 Tokyo KYODO in English 1316 GMT 16 Apr 96

[FBIS Transcribed Text] Tokyo, April 16 KYODO — Prime Minister Ryutaro Hashimoto proposed Tuesday [16 April] that Japan and other Asian countries hold a conference to discuss how to use atomic power safely for peaceful purposes, government officials said.

Hashimoto made the proposal during a meeting with Wei Jianxing, president of the all-China Federation of Trade Unions, in connection with the upcoming summit meeting on nuclear safety in Moscow.

Leaders of the world's seven major economic powers and Russia will attend the summit Friday and Saturday, held as an occasion for the world leaders to express their determination again to improve nuclear safety a decade after the Chernobyl nuclear disaster in Ukraine on April 26, 1986.

Hashimoto also told Wei that Japan will inform China of the discussions at the summit as soon as possible, the officials said.

### Japan: Ex-Premier Murayama Asks PRC To Stop Nuclear Tests

OW1704052296 Tokyo KYODO in English 0504 GMT 17 Apr 96

[FBIS Transcribed Text] Tokyo, April 17 KYODO

— Former Prime Minister Tomiichi Murayama urged
China to stop nuclear weapons tests in a meeting
Wednesday [17 April] with a top Chinese labor leader,
his aides said.

"It is wrong in the current era of disarmament and cooperation to stick to military power as a deterrent," Murayama was quoted as telling Wei Jianxing, president of the All-China Federation of Trade Unions.

Wei reiterated China's position that all nuclear weapons should be abolished after a comprehensive treaty banning nuclear tests takes effect, the officials said.

Murayama also voiced concern over China's largescale military drills in the Taiwan strait last month, saying "such exercises would give neighboring nations an unnecessary sense of crisis."

Wei replied that the exercises were over and there is no further cause for concern, the officials said.

The meeting took place at the headquarters of the Social Democratic Party (SDP), which Murayama heads. The party is one of Japan's three ruling coalition partners.

### Japan: PRC Minister Wants Forum on Exclusive Fishing Zones

OW1704084896 Tokyo YOMIURI SHIMBUN (Morning Edition) in Japanese 16 Apr 96 p 1

[By Hiroyuki Sugiyama]

[FBIS Translated Text] Beijing, 15 Apr — PRC Agriculture Minister Liu Jiang had a meeting with a YOMI-URI SHIMBUN reporting team visiting China (headed by Deputy Chief Editor Munetatsu So) in Beijing on 15 April.

Discussing the establishment of 200-nautical mile exclusive economic zones by Japan and China after the ratification of the UN Convention on Law of the Sea (which took effect in 1994), Liu said "there is a need for the concerned countries to hold discussions." He indicated that the establishment of the economic zones should be discussed at multilateral consultations, in addition to bilateral negotiations. He also tried to inhibit Japan from taking premature steps to set up an economic zone in the Sea of Japan and East China Sea despite the territorial disputes with China and the ROK.

The Chinese Ministry of Agriculture has jurisdiction over fisheries, and is deeply involved in the question of the 200-nautical mile economic zone.

Liu said that problems exist in the northeast Asian region among China, Japan, South Korea, the DPRK (North Korea) and Russia in relation to the establishment of economic zones. "One country cannot set up an economic zone alone; and setting up exclusive economic zones by two countries will affect the interests of third countries. The economic zone issue has to be discussed by all concerned countries."

### Japan: Finance Ministry: No Change in Exchange Policy

OW1704082996 Tokyo KYODO in English 0756 GMT 17 Apr 96

[FBIS Transcribed Text] Tokyo, April 17 KYODO — Japan will continue to seek a stronger dollar against the yen, a senior Finance Ministry official indicated Wednesday [17 April].

"Japan welcomes recent developments on the currency market, and there is no change in its foreign exchange policy," the official said.

Another Finance Ministry official said Japan hopes the dollar will keep rising against the yen from the viewpoint of getting the economy on a full recovery track.

A rise in the value of the yen makes Japanese exports less competitive in dollar terms.

In early April last year, the dollar slipped below 80 yen, hitting postwar global lows, and this hampered Japan's budding signs of economic recovery.

The Group of Seven (G-7) industrialized nations issued a joint communique at their meeting of finance officials in late April 1995, calling for an "orderly reversal" of the dollar's decline.

The call was reaffirmed at G-7 meetings last October and in January.

In recent sessions, the dollar has been changing hands at around 108 yen.

At a meeting in Washington on Sunday of G-7 finance ministers and central bankers, Japan is expected to argue that the dollar is still in the reversal phase.

### Japan: Finance Minister on Continuing Economic Recovery

OW1704093396 Tokyo KYODO in English 0851 GMT 17 Apr 96

[FBIS Transcribed Text] Tokyo, April 17 KYODO

— Finance Minister Wataru Kubo on Wednesday [17
April] expressed Japan's readiness to continue efforts
toward the full recovery of its economy, deputy U.S.
Treasury Secretary Lawrence Summers said.

"Minister kubo made it clear that ensuring domestic demand-led growth and recovery was the top priority of his government," Summers told reporters after meeting with Kubo.

The talks between Kubo and Summers ended in only 10 minutes due to Kubo's tight Diet schedule.

Briefing reporters on their talks, Japanese Finance Ministry officials said summers for his part also asked Japan to do its utmost to put its economy on a full recovery path.

But summers did not refer to specific measures to be taken by Japan, the officials said.

The officials said Kubo and summers reaffirmed the Group of Seven (G-7) industrial countries should continue close cooperation for a stable currency market.

The G-7 consists of Britain, Canada, France, Germany and Italy, in addition to Japan and the United States.

Kubo and Summers also agreed it is important for both countries to attain a medium-term reduction of their budget deficits and reconstruct fiscal conditions, the briefers said.

Japan: Article Notes 'Jusen'-Related Political Strife
OW1604123296 Tokyo BUNGEI SHUNJU
in Japanese May 96 pp 224-228

[Article by Taro Sato: "Secretary General Koichi Kato Is Surrounded by Foes on All Sides"]

[FBIS Translated Text] House of the Representative Speaker Takako Doi proclaimed the word "settlement" in a little high-pitched voice: "I think this agreement includes all the details we have dealt with so far, so I would like to have an agreement of each party. I would like you to discuss the provisional budget bill and the fiscal 1996 budget bill."

It was already long past 10 PM on 25 March.

When Shinshinto [New Frontier Party] head Ichiro Ozawa said that all this was the result of the problems that confronted both the ruling and opposition parties, Sakigake [Harbinger] head Masayoshi Takemura

refuted his remark by saying: "Especially the problems of Shinshinto." This triggered a heated discussion for a moment, but five political parties agreed to normalization in the end.

The Budget Committee resumed its deliberations after the lapse of 22 days after Shinshinto legislators had begun a sit-in in the hall in front of the first committee office of the Lower House where budget deliberations are conducted.

This sit-in was favorably received by the people for a time because of their strong dissatisfaction with the use of their heavy tax money for the redemption of bad debts incurred by housing loan companies [jusen]. As the proverb — Too much is as bad as too little — says, Shinshinto's action looked too excessive, and the party lost an Upper House by-election in Gifu Prefecture, bringing its sit-in to an end. The faces of young legislators, who had continued eating a box lunch costing 700 yen were tinged with fatigue and the chagrin they had of having become advance men of unproductive politics. One of them left a parting remark: "The prosecution will not leave Secretary General Koichi Kato of the Liberal Democratic Party [LDP] alone."

In the meantime, in Nagata-cho, influential men such as Chief Cabinet Secretary Seiroku Kajiyam, Koichi Kato, and Ichiro Ozawa acted according to their respective wishes; former Prime Minister Yasuhiro Nakasone and his confidents maneuvered at intervals; and former Prime Minister Noboru Takeshita silently moved about.

Prime Minister Ryutaro Hashimoto, who is awfully bold but surprisingly sincere, spent many a sleepless night during that period.

The reason is that not only he really believed that "it is difficult to obtain a satisfactory understanding from the public concerning the handling of the "jusen" issue, but also the information about the tension in the Taiwan Strait was sent to him every moment, although a big trouble was averted.

These two serious situations inside and outside the country were quite different things, but to Hashimoito, they were one and the same problem.

### Hashimoto's Secret Envoy

A man charged with Hashimoto's secret order stealthily landed at Taipei Airport immediately before the PRC's Liberation Army fired three surface-to-surface intermediate range missiles [Tungfeng] into the sea near Taiwan.

Hashimoto's order was to ascertain the possibility of the PRC and Taiwan going to war due to the loss of their presence of mind.

The PRC was very nervous about the presidential election in Taiwan. The country was making a move to shake the peace in Asia not only by restraining Taiwan's independence movement, but also by showing its readiness for unification through military force.

Specialists analyzed that "the PRC is not serious about its intentions," but when Hashimoto visited the United States hurriedly, the U.S. side conveyed to him the information that a "Sino-Taiwan war" is likely to break out.

If the PRC and Taiwan go to war, Japan would not be free from damage.

The United States will not hesitate to use military force in order to defend Taiwan. What will happen if the United States, using Japan as its base, has a confrontation with the PRC? Japan may have to make the PRC an enemy either "directly or "indirectly" together with the United States. When occasion demands, there is no guarantee that the United States and the PRC will not go to war.

This will drastically revolutionize postwar Japan's diplomacy. It is explained that the Constitution of Japan "prohibits the exercise of the the right of collective defense." How to handle this problem?

This is such a serious matter that the manner of its handling is quite likely to wreck one cabinet or two. It is natural for Hashimoto to have made a full determination.

Before the collapse of his cabinet, Japan must make an important decision with determination.

When occasion demands, Hashimoto may have to establish a "cabinet to save Japan," even by giving up the "jusen issue." To Hashimoto, it means shaking hands with Ichiro Ozawa.

It is because of such a strong reason that Ryutaro Hashimoto had to talk with Ichiro Ozawa, although they had been glaring at each other.

However, even Hashimoto has been experiencing hardships. When he considers the settlement of matters related to the bubble that are likely to come to the surface in the future, such as the settlement of the Japanese National Railway Settlement Corporation that has immense bad debts, he cannot relinquish his plan to pave the way for settlement of these matters through the settlement of the jusen issue. On the other hand, if he relegates the jusen issue to "the will of the people," in full knowledge of his defeat, he will be thought irresponsible. If he

accepts Koichi Kato's summons, it is perfectly obvious that "Hashimoto" himself will become the next target for attack.

The PRC's military exercises escalated despite Li Tenghui's overwhelming victory in the presidential election. There was an alarming report that "the PRC's military will not listen," or "the PRC will not back down unless it occupies one island or two."

Japan's fate largely depended on politics.

The root of Ichiro Ozawa's worries was the same.

Ozawa's Shinshinto trampled down the Diet Building, "the seat of free speech" in opposition to the ruling parties' handling of the jusen issue, so he could not back down with empty hands, no matter how strongly the nation opposed the handling of the jusen issue.

The Diet Building was labelled as the homeless's enclave because of a three-week sit-in. Ticks and lice became lousy.

The reckless act of a sit-in tainted the authority of the Lower House speaker, party politics, respect for Dietmen, and everything.

However, many of the sit-down Dietmen are those from former Komeito [Clean Government Party] and the former Japan New Party [JNP] who are sensitive about the trend of public opinion. Therefore, even though the Shinshinto leaders contemplated an evacuation by making a clumsy compromise, these Dietmen would not listen.

When Kozo Watanabe, chairman of Shinshinto General Council, sensed a subtle change in public opinion which is adverse to Shinshinto due to the prolonged sit-in, he urged Ozawa to "step out of the stage." Even though Watanabe went around, saying "he got a favorable reply from Ozawa," those "hardliners" did not budge an inch.

Shinshinto expected that its "sit-in" would trigger the ruling coalition's "railroading" but to no purpose because the sit-in was too effective. Therefore, Shinshinto found itself in a predicament.

At last a meeting between Hashimoto and Ozawa was held in the prime minister's official residence on 19 March to dispose of the provisional budget and the bills to be passed by 31 March.

The two men had no objection to the disposition of the provisional budget and the bills to be passed by 31 March.

They spent most of their time on the jusen appropriation, on the question of dissolution of the Lower House in relation to the jusen issue, and on the management of a crisis between the PRC and Taiwan. [Ozawa] "We are much concerned about a tense situation produced between the PRC and Taiwan. The situation demands the attention of politics."

[Hashimoto] "I agree entirely with you. We would like to normalize the situation in the Diet. We would like to have your cooperation."

[Ozawa] "There are a variety of opinions in our party. In the existing circumstances, we cannot dissolve our picket line unless we achieve some tangible result."

[Hashimoto] "We cannot eliminate the jusen appropriation."

[Ozawa] "What about dissolution?"

[Hashimoto] "We do not think it is time for that."

Ozawa wanted to obtain a "good result." It was natural for Ozawa to expect that Hashimoto would promise "dissolution," or would accept "Kato's summons." However, Hashimoto's reply was adamant.

The two men understood each other, but it was impossible for them to yield what cannot be yielded.

The talk between the two men lasted one hour and five minutes; they talked for another 30 minutes, with Kajiyama included. This, conversely, created a suspicion that there was some kind of "secret promise." This peculiar meeting, which had to be explained as a "meeting between the government and the opposition leader," not as a "meeting between the party heads," only showed that both the ruling and opposition parties are unable to solve such a complicatedly twisted problem.

The "jusen" issue followed a complicated course.

It was thought that the jusen appropriation would clear the Lower House without effort after all due to a weakening of Shinshinto, but when Shinshinto members resorted to an unusual tactics, a sit-in, the government and the ruling parties, unable to remove the sit-in, became nonplused, leading to the paralysis of the Diet.

Shouting "Down with Hashimoto," Shinshinto clamored for summoning his former secretary as a witness. However, when it was found that a certain Shinshinto member had been in league with this secretary, Shinshinto at once directed its spearhead on the "Kyowa scandal" in the past [a bribery case involving Kyowa, a big steel maker, in 1991], bending its energies on Koichi Kato's headhunting.

Shinshinto, whose breakup was deemed to be inevitable due to its internal discord, solidified itself. Conversely, there was a sudden burst of factional, generational, and idea-related struggles within the LDP.

Koichi Kato was surrounded by foes on all sides.

To ensure the success of his intentions, Kato took supplementary measures through Noboru Takeshita's service, but the measures were criticized severely. Seiroku Kajiyama, who had been thinking of giving Kato a lesson due to "his recent impudent behavior," barked at Kato. Thus Kato was deprived of his leadership at once and was laughed at "as being still no match for Kajiyama in caliber."

### The Story of Headhunting

Kajiyama's exceptional ability is shown in his move to stand by "Kato" afterward. Kajiyma met with Tomiichi Murayama, head of the Social Democratic Party [SDP], at the New Otani hotel on 8 March. While riding in a car, Murayama was called by Kajiyama.

Afterward Kajiyama told a news conference that "Murayma called me" explaining that he had no other intention. However, Murayama made it clear that it was Kajiyama who approached him with a proposal, saying "I would like to consult with you about Kato."

Murayama showed a friendly feeling toward "Kato."

When Kajiyama explained to Murayama about the LDP's situation, saying that "we will be unable to shield Kato," Murayama did not consent to Kato's summons, saying: "If the summoning of Kato normalizes Diet deliberations, that will be fine. However, if the summoning of Kato and the normalization of Diet deliberations are a different matter, there is no use of summoning Kato."

Afterward Murayama confided to his close circles that "there is little possibility that Shinshinto will give up the summoning of Kato."

Purthermore, Kajiyma asked Hashimoto's real intention.

[Kajiyama] "The situation will not normalize unless we give up Kato."

[Hashimoto] "That will not do. I will be the next target after Mr. Kato. I would like you to shield Mr. Kato. Mr. Kato and I are in the same boat."

[Kajiyama] "Does that mean the protection of the Hashimoto cabinet?"

[Hashimoto] "I would like you to do that."

[Kajiyama] "I see, but, if that is the case, things will come to a serious pass."

Although Hashimoto had a regard for Kajiyama's feelings, he called Taku Yamasaki and told him "to shield Kato."

From that time, hunting for "Kato's" head went underground at once. LDP Secretary General Masakuni Murakami of the Upper House, who is famous for his tough stance, exclaimed in Soeda-machi, Fukuoka Prefecture: "If a doubt is cast on him, Kato should openly give an answer in the Budget Committee according to the request of the opposition party. When I urge the necessity of a flexible posture toward Kato's problem in the executives meeting, the Lower House members ask me "not to publicize my view," so I do not meet the press so often."

Murakami was vexed at the weak attitude of the executive members.

Behind the back of Murakami, however, there was former Prime Minister Yasuhiro Nakasone, who carries great weight as the boss of conservative-conservative union. When Murakami strongly called for the summoning of Sokaggakai Honorary Chairman Daisaku Ikeda, Nakasone wielded his influence quietly behind Murakami's back.

It seems that senior members cannot tolerate Kato's leadership within the LDP through the advocacy of a "generational change" by forming the YKK trio: Kato himself, Policy Research Council Chairman Taku Yamasaki, and former Posts and Telecommunications Minister Junichiro Koizumi.

The senior members also feel uneasy about the fact that Kato is the central leader of the coalition with the SDP and Sakigake.

They ask, "What are we going to do when something has happened between the PRC and Taiwan?"

To the advocates of "conservative-conservative union."

Kato seems to be a man to be expelled as soon as possible.

There was an agreement of opinion between Shinshinto, "which cannot stop the sit-in without some tangible results," and the combination of Nakasone and Mitsuzuka, which wants to attack "Kato."

Shinshinto worked on some ruling coalition members repeatedly and stubbornly.

Shinshinto members, such as Kozo Watanabe, Takeshi Noda, Kenji Yamaoka, whispered to Masakuni Murakami, Shin Arai, and others that if they accept the summoning of "Kato," they will stop the sit-in.

It was Shizuka Kamei, chairman of the Organization and Public Relations Headquarters, and Acting Secretary General Hiromu Nonaka who fought to repulse the attack of the Shinshinto members. If it had not been for the support of these two men, powerless Kato would have been beaten up long ago. Even Kajiyama found it difficult to deal with them. He went so far as to tell Kato: "Come alone when you want to have a talk with me."

"The election in Gifu Prefecture was the last chance to settle the issue in Nagata-cho which was hopelessly mired in stalemate.

However, the odds were against Shinshinto from the beginning. Sokagakkai, which is Shinshinto's only hope, did not seriously support Shinshinto's candidate in Gifu Prefecture, which is the "kingdom of conservatism." Shinshinto's preparations for the election in the prefecture was not adequate.

The Shinshinto headquarters instructed the local chapter to collect signatures opposing the handling of the jusen issue by the ruling coalition. This, however, did not succeed due to a "lack of hands." There was a great fuss about sending Kozo Watanabe, a celebrity, to the prefecture.

As expected, the result of ballot counting was miserable.

Shinshinto suffered a crushing defeat, not only losing to the candidate recommended by the LDP, the SDP, and Sakigake, but also being closely pursued by the Japan Communist Party [JCP], according to a Shinshinto leader. This made it impossible for Shinshinto to continue the sit-in in expectation of the applause of the public.

Shinshinto had no alternative but to "stop the sit-in" by asking for the assistance of the Speaker of the House of the Representatives.

However, there remains the problem of handling the jusen appropriation. The nation's opposition against the jusen appropriation must have come home to both the government and the ruling coalition. The first act has at last come to an end, but everyone thinks that the second act will begin with the "political situation."

### Japan: Nuclear Energy Experts Open Meeting 17 Apr

OW1704051596 Tokyo KYODO in English 0453 GMT 17 Apr 96

[FBIS Transcribed Text] Nagoya, April 17 KYODO — Nuclear energy experts from around the world joined an annual conference of Japan's nuclear industry lobby Wednesday [17 April] to discuss nuclear nonproliferation, safety of atomic power, relations between energy and the environment, and other issues.

"Considering an increase in energy demand expected in the next century, nuclear power reactors should be highly ranked as an energy source because they don't emit carbon dioxide," said Takashi Mukaibo, head of the Japan Atomic Industrial Forum (JAIF), in an opening speech at the conference in Nagoya, central Japan.

Referring to last December's sodium leak accident at Japan's first fast-breeder reactor, Mukaibo said, "I was shocked to learn of the perception gap between the general public and experts. I feel that we should give careful consideration concerning the disclosure of information."

Japan's prototype fast-breeder reactor Monju, located in Tsuruga, Fukui Prefecture, on the Sea of Japan coast, was shut down Dec. 8 after a large quantity of sodium leaked from the reactor's cooling system and caused a fire.

The government-funded operator of the reactor drew a volley of criticism for trying to hide some vital information on the accident.

Officials from the International Atomic Energy Agency, the United States, Europe and Asia are participating in the three-day conference.

The agenda includes discussion of the Chernobyl nuclear disaster in 1986, the Monju accident and other issues.

JAIF officials will exchange opinions later in the day with citizens on issues concerning nuclear power plants in a bid to restore public confidence, which was damaged by the Monju accident.

The JAIF conference will also discuss construction plans for nuclear power plants in Asia.

### Japan: Measures for Reducing Housing Construction Cost

OW1704041496 (Internet) Japanese Ministry of Foreign Affairs WWW in English Apr 96 [no date as received]

["Concrete Measures for Reducing Housing Construction Cost" by the Ministries of Construction; Justice; Health and Welfare; Agriculture, Forestry, and Fisheries; and International Trade and Industry; from the "What's New" link of the special Clinton home page]

[FBIS Transcribed Text]

### 1. Circumstances

March 26,1996: "Emergency Priority Program for Reducing Housing Construction Cost" was announced by the Ministry of Construction, the Ministry of Health and Welfare and the Ministry of International Trade and Industry.

March 29,1996: Administrative Reform Promotion Headquarters decided the revision on "The Deregulation Action Program."

### 2. Concrete measures established after the announcement of "Emergency Priority Program for Reducing Housing Construction Cost"

(1) In order to use overseas building materials like lumbers and plywood for the assembly of wood frame construction in Japan, if they conform to overseas standards and have many things in common with Japanese products, those overseas standards which are confirmed that they have sufficient structural strength will be certified for use in Japan as of April 1996. Purthermore in order to promote discussions about mutual recognition, meetings will be held with foreign testing laboratories and others during FY 1996.

Note: By allowing mutual recognition of testing and standard inspection organizations, Japan and opposite nations will help standard products of the two nations to be used freely in the respective nations thereby promoting distribution thereof.

- (2) As for JAS [Japanese Agricultural Standards] standard for wood products, designate two overseas testing laboratories as foreign testing organizations (FTO) within FY 1996. Also, simplify procedures for the application of approved/permitted plants which may affix JAS mark, and publish a manual of the procedure for designation of FTO and approval/permission of plants.
- (3) Establish "Housing Import Information Dial" in April FY 1996, with an aim to acknowledge comprehensively up-dated public opinions on the Japanese building regulations etc.
- (4) "Imported Construction Materials and Equipment Fair" is scheduled to be held at Yokohama from May 29, 1996 to June 25, 1996.
- (5) In order to provide information as well as business talk opportunities, JETRO [Japan External Trade Organization] Housing Materials Centers are being set up in Tokyo in March and in Osaka in April 1996.
- (6) Based on the Immigration Control and Refugee Recognition Act and the Ministry of Justice Ordinance, a measure was taken to quicken examination procedures to foreign skilled labors participating in construction of imported houses to 2 to 3 weeks from the time of applications for necessary resident approval certificate to be granted to the said foreigners.
- (7) As for low cost model housing developments such as "plus you" housing and imported houses, 5 model developments have already been concreted.

### 3. Main subjects of "Emergency Priority Program for Reducing Housing Construction Cost"

- (1) Comprehensive Review of Building Regulatory Framework.etc.
- From a point of view of harmonization with international standards, encouraging self-responsibility concept, enlarge peoples freedom of choice, and inducement of technological developments, present system centering on prescriptive regulations, is to be changed to performance-based regulations in principle. In order to do this, new building regulatory framework is to be prepared during FY 1996. Furthermore technical standard for housings by wood frame construction method is to be precedentially changed to a performance-based one during FY 1996 [sentence as received].

Note: "Specification regulation" refers to regulation which insures structural and material safety by limiting sizes and materials.

Note: "Performance-based regulation" refers to regulation assuring structural and material safety by making clear performance needs to be satisfied. Should tests and calculations ascertains performance can be achieved and satisfied most any material can be used, which is expected to enhance choice freedom while at the time have the effect of promoting technical developments.

- 2) Regulations on plumbing fixture contractors in performing works for appointed water works utilities which require office within their service area are to be relaxed. (For this purpose, the revision of Water Works Law has currently been submitted to the Diet.) Furthermore the use of Water Supply Equipment Regulations are to be comprehensively reviewed, and the revision will be implemented as of FY 1997.
- (2) Facilitate Induction of Imported Housings and Foreign Materials and Components
- (3) Promotion of Leading Projects for Reducing Housing Construction Cost
- (4) Preparation of Positive Support Organizations for the Consumers
- (5) Promotion of Housing Production Rationalization Program

#### Japan: Postelection Realignment Projected

962B0049A Tokyo SEIKAI ORAI in Japanese Mar 96 pp 14-19

[Article by Yoshiya Kobayashi, political commentator]
[FBIS Translated Text]

### Political Report.

Will it be a Liberal Democratic Party-Socialist Democratic Party-Sakigake affiliation? Or a twoway alliance of conservative forces? The answer will depend on the outcome of an inter-generational struggle.

Launching of the Hashimoto administration has been followed by the establishment of preparations for a general election on the part of each party, but this article will discuss projected post-election realignment.

Although the party was redesignated as Socialist Democratic Party (SDP), it is nothing other than a socialist party.

"The year of the rat is one in which a change will take place in the government administration," i.e., the arrival of "turbulent times" was again demonstrated by the sudden "resignation" of Prime Minister Tomiichi Murayama on 5 January.

Further, at the end of last year, Ichiro Ozawa became president of the New Frontier Party (NFP), while President Ryutaro Hashimoto of the Liberal Democratic Party (LDP), who is considered a "trump card" or the "ace card," succeeded Murayama as prime minister, which will lead to what has been referred to as an "Ichiro Ozawa-Ryutaro Hashimoto" confrontation and a "decisive battle" in the next general election, leading to the disintegration and dismantling of the losing party and possibly determining the political future of the losing party leader.

Basically, a loss means a political battle has ended and the losing party must virtually face political "death."

Again, on the other hand, the Socialist Party, which was experiencing turbulence in intra-party debate on a goal to become the core element in a movement to form a "third force new liberal party" "reelected" Tomiichi Murayama as party chairman and redesignated him as the "party president." Murayama, who is a member of the cautious faction concerning a "new party," approved a redesignation of the party from Socialist Party to "Socialist Democratic Party (SDP)."

Speaking of the Socialist Democratic Party," Deputy Party President Wataru Kubo and his group, which advocated a "new party," asserted the deletion of the word, "Socialist," and insisted on the title of "Democratic Party," but Murayama, who had renewed his leadership in the party, pushed that position aside and took it upon himself not to delete the word, "Socialist."

The significance behind the foregoing action is critical in that it has rendered it impossible for core elements of the former Socialist Party to be joined by "wide-ranging elements" including parts of the Sakigake, the LDP, and the NFP. In other words, Democratic Party with the "socialist" adjective deleted would have attracted new followers, but leaving it as Socialist Democratic Party means that the party headquarters sign was repainted, but, in reality, that it remains the old Socialist Party and the "wide-ranging elements" once again sense an aversion and the creation of a "new! peral party" is virtually "frozen" until the next general election.

Essentially, we can say that SDP President Tomiichi Murayama has rejected the creation of a "new liberal party" before the next general election.

Further, new Prime Minister Hashimoto's policy speech in the regular session of the Diet encompassed the use of the key words, "reform" in relation to domestic policies and "independence" in terms of diplomacy, but they were not backed up by specifics, which need not await utterance of any comments from the opposing NFP President Ozawa which would probably allege is the result of being hamstrung by the framework composed of the LDP-SDP-Sakigake affiliation and there is no need to mention that the "frustration" coming from the inability to say what one desires to say will eventually result in the unraveling of the three-party affiliation.

If dissatisfaction should mount over public opinion based on Prime Minister Hashimoto's nature, qualities, and fragile way of implementing policy, the foregoing outcome would be unavoidable.

A major feature of this series of "radical changes" is that they will all be linked to the new "political restructuring" awaiting the results of the next general election.

In the inner circles of Nagata-cho such apparent "radical changes" are analogous to one-seventh of an iceberg protruding on the surface wherein more complex events are taking place at several strata below the surface in the remaining sixth-seventh of the iceberg.

I would like to examine each of those events in suggesting the possible "political restructuring" to take place after the general election and its actual probability.

The prevailing current analysis of the mass media in connection with the next general election is that neither the LDP nor NFP will be unable to win a majority on its own.

Further, although it will be another story if, for example, the "housing loan company" issue produces a scandal involving politicians during the current plenary Diet session to end in June, the common outlook is that a "mid-summer election" will take place in July, August, or September.

The reason is that the public hopes that the next fiscal year budget, which will serve as a launching pad for an economic recovery, will be approved within this fiscal year and any party that opposes the passage of the budget will face a reversal in a general election.

On the other hand, even Prime Minister Hashimoto, who has the power to dissolve the House of Representatives, suffers from the disadvantage of being in a defensive position no matter how skillfully he handles the "housing loan company" issue in the plenary Diet session, and from the standpoint of public opinion, the NFP is at an advantage because it can attack as being inexcusable the government's plan to use 685 billion yen of public funding to resolve the problem.

That being the case, Hashimoto could hardly proceed directly with dissolution of the House of Representatives upon the passage of next fiscal year's budget, but must await the calming of the "turbulence" caused by public opinion, while it will be indispensable for him to appeal to the public for recognition in terms of his accomplishments during the Japan-U.S. summit with Clinton and the Lyon summit in June. The majority in the LDP recognize the fact that the LDP would have difficulty in establishing superiority over the NFP without completing those projects.

In other words, the LDP does not have the confidence to proceed with dissolution of the House of Representatives and a general election until it at least goes through with the June summit.

Accordingly, in this article, as I stated earlier, I will proceed with this "case study" under the assumption that neither the LDP nor NFP will control a majority and maintain or regain government power.

## LDP resumes inter-generational struggle relative to LDP-SDP-Sakigake affiliation and alliance between two conservative parties.

[Case in which LDP becomes relative leading party, but without control over a majority.]

In this case, the LDP, which feels, "We do not wish to face "hell" in connection with a second fall to opposition party status," visualizes two scenarios for the purpose of holding on to government power.

The first concept visualizes the maintenance of a coalition government formed in cooperation with the current SDP and Sakigake and possibly proceeding with the formation of a new party out of the LDP-SDP-Sakigake parties.

The second concept visualizes a "two-way conservative alliance" with the NFP to form a government in which case the SDP and Sakigake would be separated from the LDP.

We will enter into a discussion of the feasibility of each of the two approaches.

Which of the two approaches; i.e., "LDP-SDP-Sakigake" affiliation or "alliance between two conservative parties," will be stressed will depend on changes in circumstances within the LDP. In the new Hashimoto cabinet, Seiroku Kajiyama has joined as the chief cabinet secretary and much is said about a "Prime Minister's Residence-led" "Hashimoto-Kajiyama team."

A newspaper reporter assigned to cover the LDP comments, "In the view of all parties, it is common sense that the location of Kajiyama in the Prime Minister's Residence means that the role of coordinating the activities of the LDP-SDP-Sakigake" three-party organization on the implementation of policy and management of Diet affairs shifts from the LDP Secretary General Koichi Kato-Political Research Committee Chairman Taku Yamazaki team to Kajiyama. Already, the Kato-Yamazaki executive team is replete with discontent in that it has been neglected on the action taken with respect to the housing loan company 'issue.'"

We need not mention the fact that Kajiyama has already embarked on a "unilateral course" on Diet countermeasures involving the "housing loan company" issue, in connection with a statement "to suspend execution of the budget" dealing with use of public funding and "information disclosure," and despite having gained an element of "youthful recovery" with a shift from President Yohei Kono to President Hashimoto, the LDP has suffered from a sudden loss of prominence.

In other words, the situation reflects the rekindling of the once-existing "inter-generational struggle" within the LDP between the veteran Diet members who consider Kajiyama their leader and the reacting young Diet members such as Kato who assume a cautious attitude towards the "rollback" tactics of the older group.

And, concurrently, this "inter-generational struggle" relates to the shape of the "political restructuring" following the coming general election and while a majority of the veteran Diet members led by Kajiyama favor a "two-way conservative alliance" with the NFP in the event an LDP independent government proves difficult, the majority of the young Diet members led by Kato favor the maintenance of an "LDP-SDP-Sakigake" three-party coalition government or the formation of a new party based on the three parties.

Further, it appears the "LDP-SDP-Sakigake" three-party affiliation favored by these young Diet members, is being pushed by former Secretary General Hiroshi Mitsuzuka of the "Kono faction," which broke away into one of two fragmented elements in the "Kono versus Hashimoto" presidential election last year.

Mitsuzuka does not hesitate, when he says, "Winning against the huge NFP leaves us with the single option of a new party formed on the basis of the LDP-SDP-Sakigake trio. We must first form an intra-Diet unified faction of the three parties and then shift into a new party formation."

However, this "LDP-SDP-Sakigake" affiliation has met with strong opposition centered around the previously mentioned veteran Dietmen.

In this instance, policy differences are limited, but the interpretation is that the sense of incompatibility is too extreme to realize the formation of a new party consisting of an amalgamation between the SDP and the LDP. It seems the "basis" for this conclusion is that it would be no different from the three-party coalition government in which concessions are always made because of the necessity to reflect the policies of the SDP Diet members, even if a new party were formed.

This particular fact and the opposition by the Sakigake to the formation of a new SDP-Sakigake" party preliminary to the establishment of a "new liberal party" as a "third force" coincides with the "incompatibility" sensed by the LDP.

In other words, at a glimpse, President Masayoshi Takemura of the Sakigake acts as if he desires the formation of a new party composed of the "SDP and Sakigake" even before the next general election, but the view is that his true sentiments are substantially different.

Needless to say, the Sakigake Party is split in half with one faction opposing the formation of a new party with the SDP, including Shusei Tanaka, former director general of the Economic Planning agency, and Hiroyuki Sonoda. It appears they have their eyes on a consolidation with the LDP "without participation by the SDP." But, on the other hand, even in the SDP there is a strong air of opposition to a new party with the "conservative leaning" Sakigake. Opposition is especially deep-rooted in the regional structure of the SDP.

An official of the former Obuchi faction of the LDP comments, "Essentially, talk of the formation of a new party composed of the SDP and Sakigake exists because of fear over the possible outcome of the next general election. If the general election is approached with the

current independent structure, the SDP will suffer a major loss. And our analysis indicates that the Sakigake will end up with less than 10 seats. Basically, a look at the policies favored by the two parties shows that they are far apart. If one were to identify a policy matter on which there is affinity, it would be the fact that both are cautious about the proposal for Japan to become a permanent member of the United Nations Security Council, and that being the case, formation of a new party between the two would be impossible."

During the 10 January meeting titled "Forum Concerning the Course by Japan" organized to explore the launching of a "new liberal party" on the part of Murayama and Takemura of the SDP and Sakigake Party, Takemura invited participation by LDP Diet members and stirred up concern among some of the SDP Diet members. You could say that he was providing evidence of doing what was considered "impossible."

The preference of veteran parliamentarians, such as Chief Cabinet Secretary Kajiyama, is to oppose an "LDP-SDP-Sakigake three-party coalition or the formation of a new party and proceed with a two-way conservative alliance."

However, even this approach has its problems in that opinions are divided between those that seek an affiliation between themselves and the New Frontier Party's "Ozawa group" and those that seek affiliation with the "Hata group" which is intensifying its confrontation with the Ozawa group. Then, there is the question of how the LDP, which is stepping up its attack of the Sokka Gakkai, views the former Komeito Party members. Further, even in relation to an affiliation with the "Ozawa group," there still exists a high degree of aversion to President Ichiro Ozawa and there is skepticism about an affiliation with the "Ozawa group without Ozawa." As an example, the conflicts and confrontations between Ozawa and Kajiyama are deep-rooted, just like the situation was once referred to as the "Ozawa-Kajiyama War."

Needless to say, until recently, the "two-way alliance" was spoken of from the perspective of an affiliation with the "Ozawa group." Since about the spring of last year, reports circulated about a "secret meeting" between Ozawa and Ryutaro Hashimoto and reportedly the only major policy difference between the two concerns "collective self-defense."

And, on the other hand, if Ozawa's "maneuvers" succeed, Kajiyama is reportedly ready to declare an end to the "Ozawa-Kajiyama war" and to work for the rebuilding of the "conservative forces" even at the cost of sacrificing the SDP and Sakigake.

Next, any possible affiliation between the LDP and the NFP's "Hata group" which is opposed to the Ozawa group would also pose "difficulties."

In other words, the preference of Tsutomu Hata and his group has been a "non-LDP coalition government" with strong distaste for Ozawa-style political methods, thus making it impossible to form an affiliation with the LDP on the part of the Hata group even if the affiliation were absent any ties with the "Ozawa group."

Additionally, even "calls" for a "two-way conservative alliance" will ultimately depend on the outcome of the next general election and if the LDP wins and recovers government power, "Might will be proven right," and the party will be able to consolidate its strength. Moreover, the "two-way conservative alliance," which is an LDP concept, never existed with the "Ozawa group" or the "Hata group" and it need not be mentioned that any alliance assumes defeat in the elections.

The previously quoted former LDP Obuchi faction official comments, "If the "Hata group" compromises on its belief preferring a non-LDP coalition government and forms a "two-way conservative alliance" with the LDP, the "Ozawa group" will be forced into isolation. However, if contrarily the "Ozawa group" joins the "two-way conservative alliance," the "Hata group" will enjoy a windfall, strengthen its ties with the SDP and Sakigake which will be cut off from the LDP and a strong possibility will arise for the formation of a "new liberal party," composed of two parties and one group, and advocating constitutional preservation."

In other words, if a "two-way conservative alliance" is formed with the participation of the "Ozawa group," even if it does not comprise a "third force," the possibility arises for the creation of a "new liberal party."

No matter how hard the SDP and Sakigake might try, they would be unable to form a "new liberal party," and the possibility is strong only if the "Hata group" were to participate.

At this point, we would see a confrontation between two major political parties as a result of a change in the quality of political parties, describable as the "New 1955 Political System." Ironically, this will mean that there will be a change in substance relative to the "two major conservative parties" envisioned by Ozawa in the form of the LDP and NFP.

# If the NFP becomes the leading party and the LDP splits, we will see an Ozawa administration.

[A situation in which the NFP becomes a relative leading party but fails to control a majority.] On the other hand, there is no assurance that the LDP will come out of the general election as the relative leading party.

Currently, various public opinion surveys indicate Prime Minister Hashimoto's support ratings are high and surveys of support for political parties show that the LDP is gaining ground, while the NFP is languishing with a support rating which is about one-third of that for the LDP, but we must remain aware of the fact that support ratings are unpredictable and depend on the outcome of current parliamentary struggles, while giving recognition to the fact that former Prime Minister Murayama enjoys a high support rating because he benefits from relief felt in his leaving office without making any "major errors" and passing on of his official duties as prime minister to Hashimoto.

In other words, "trends" at the time of the general election in terms of how "tail winds" and "head winds" will affect the LDP and NFP are unpredictable, while under the small-electoral-district system a difference of one vote can mean victory or defeat, translating into situations where a final ballot count can produce an outcome which was totally unanticipated. It is a fact that making projections of election outcomes will be far more difficult than was the case with the medium-electoral-district system.

Additionally, although the NFP is currently considered to be at a disadvantage, it is not totally impossible that it could push aside the LDP and independently win enough seats to become the relative leading party. If that should happen, there are three possible shapes that a new administration could assume.

First, there is the case where the LDP, which fell to the second-ranking party faces the threat of a split or dissolution and a segment of the party joins the NFP or establishes a new party to form a coalition with the NFP.

Second, there is the case where the LDP produces some drop outs who join the NFP, but this fails to result in the establishment of a majority and the SDP splits because of "difficulties" encountered in dealing with the "new liberal party" issue and some of the SDP members join the NFP. However, the discord which existed at the end of the Hosokawa administration makes it improbable that the SDP would form a coalition with the NFP in one piece, while likewise, the Sakigake which formed an "Ozawa-Takemura" team would not become an auxiliary force of the NFP.

Under such circumstances, "Winner is right," and there is no need to mention that the NFP's "Ozawa group" and "Hata group" can exercise their power to consolidate.

The question now becomes, how does the NFP view this possibility?

A former Japan New Party parliamentarian comments, "When the NFP becomes the relative leading party, its chances of recovering government powers will depend in any event on a split of the LDP. Basically, it is impossible for the Sakigake to rely on the SDP to furnish auxiliary support. Additionally, there is a fairly strong possibility of a split in an LDP which has declined to a second-ranking political party. The issue of the NFP and election districts will surface and a considerable number of the LDP members can be expected to affiliate themselves with the NFP. If the electoral districts become an insurmountable problem, consideration could probably be given to a return to the medium-electoral-district system. In any event, if we face a situation where no party controls an independent majority, as long as the leading party maintains that position on a relative basis, it can be fairly confident of regaining government power."

However, even if the NFP becomes the relative leading party, its strongest concern is that any "distribution of seats" based on an election could result in an "LDP-SDP-Sakigake" affiliation and a reversal for the NFP.

The earlier quoted newspaper reporter assigned to cover the NFP comments, "Conceivable is a situation in which the "LDP-SDP-Sakigake" firmly consolidate as three parties and form a coalition or a new party which exceeds in numbers the relative leading party NFP. In such a case, considerable unrest will arise in the "Hata group" within the NFP and some members will probably seek to leave the NFP and affiliate themselves with the "LDP-SDP-Sakigake." The "Hata group" prefers a non-LDP coalition, but the existence of the SDP and Sakigake in the group makes an affiliation with the LDP more acceptable. The "Hata group" includes a segment which is already dedicating itself to a game of numbers of this nature."

We have thus far discussed the possibilities concerning a "restructuring of the political world," but this writer ranks the formation of a new party by the "LDP-SDP-Sakigake" as having the highest of possibilities.

As I view the actions being taken by the three parties, I see that all efforts are being exerted towards such a direction, along with LDP tenacity for clinging to government power without any concern for outward appearances. The LDP wishes to avoid the fate of a second decline to the "hell" of opposition party status, and not only does it wish to avoid the fate, but if it should face such a fate, it will stand at the brink of complete party disintegration.

The reason is that the SDP and Sakigake have lost any desire to seek other possibilities as a result of being attracted by such "dynamic forces" and they do not dare relinquish the "benefits of being part of the ruling government. In other words, this scenario is one step ahead of other possible restructuring scenarios in terms of progress relative to "restructuring."

However, if we were to set aside the expectations of the LDP and guide domestic and international issues outstanding towards an urgent resolution, it is time for Hashimoto and Ozawa to join hands and embark on strong political actions.

If we consider the fact that a constant "Ozawa versus anti-Ozawa" confrontation is useless and unproductive, I believe a two-way conservative alliance between Ozawa and Hashimoto would be very desirable.

If the situation can necessarily lead to the formation of a "new liberal party" advocating constitutional protectionism, I believe we could achieve a much greater degree of clarity of issues in that the public will be able to choose political parties on the basis of whether they are for or against either reform or preservation of the current constitution.

Japan: Select Foreign Ministry Personnel Featured 962B0058A Tokyo KANKAI in Japanese Feb 96 pp 60-71

[Article by KANKAJ editorial staff: "Personnel Employed by the Ministry of Foreign Affairs"]

[FBIS Translated Text] Japanese diplomacy will navigate turbulent seas even in 1996. Of special note is that in 1996, elections will be held in principal nations such as the United States, Russia, and South Korea and diplomacy will be given selective priority with primary emphasis on domestic issues, making the navigation of diplomatic waters more difficult than the average year. This article will introduce key individuals charged with handling Japanese diplomacy under such difficult conditions.

Of the total of about 5,000 personnel employed by the Ministry of Foreign Affairs, roughly two-thirds are assigned to overseas posts and roughly one-third are assigned to the ministry headquarters in Tokyo. Such special circumstances of the ministry have been considered in arriving at the decision not to introduce the key personnel by bureau, but by the year in which personnel qualified under the foreign service officers' examination. In other ministries year group refers to the year in which a group was employed, but year group in the case of the Ministry of Foreign Affairs refers to the year in which a group passed the foreign

service officers' examination. This article follows the latter definition.

# Year Group 1954

The sole individual in this group is the most senior of foreign service officers on active duty. He is Japanese Ambassador to the United Nations Hisashi Owada.

Current interest in the Ministry of Foreign Affairs focuses on how long Owada will choose to stay on active duty. In August of last year, when Owada relinquished his post as deputy administrative vice minister of foreign affairs to Kunihiko Saito (currently ambassador to the United States), there appears to have been an unspoken understanding between the two that "Owada would serve one year as ambassador to the United Nations, and that he would subsequently be assigned as ambassador to the United States."

Based on this understanding, Saito negotiated repeatedly with Foreign Minister Yohei Kono to appoint Owada as a replacement for Ambassador to the United States Takakazu Kuriyama of Year Group 1953. However, Kono persisted to the very end in his nonconcurrence. Whenever Japan-U.S. economic issues undergo difficult times, the Japanese ambassador to the United States inevitably is blamed. The reason why Kono persisted in his "disapproval" of the idea of assigning Owada as ambassador to the United States was that "we must not compromise Owada's position as the father of Princess Masako, wife of the prince, in connection with Japan-U.S. economic issues." Supposedly, Kono's advisor former Prime Minister Kiichi Miyazawa also expressed the same view.

Even Owada himself seemed to have conducted himself as if he were serving as ambassador to the United Nations on a "temporary" basis. He did not spend much time in New York which is the location of the United Nations, but traveled the world to attend activities such as seminars. But, in his second year of his tour with the UN, he has begun to settle down in New York. It appears he may have become concerned with the commentary among UN officials that the Japanese UN Representative's team is weak with the exception of Owada, and has taken action to solidify the team such as bringing in Masaki Konishi of Year Group 1964 as the second UN Japanese ambassador.

The true value of Japan's UN diplomacy will be challenged during the Security Council's nonpermanent member nation election to be held either in the latter part of October or the first part of November. Japan and India have been nominated as candidates from the 48-nation UN Asian group, but India stands as a formidable competing candidate. In the same elections held last

year, Japan and South Korea of the Northeast Asian area were both elected as nonpermanent member nations, which placed Japan at a disadvantage. The reason is that the possibility exists that the view will intensify among the Asian Group that, "It is not desirable to give priority to the Northeast Asian area in terms of member nations. We should now recommend India of the Southwest Asian area."

If Japan should lose in the UN nonpermanent member nation elections, it will represent a revisit of the time when Japan lost to Bangladesh in the same election of the past. If that should happen, circumstances just may result in compromising Owada's position. Accordingly, we now hear comments within the Ministry of Foreign Affairs which state, "Perhaps we should replace Owada before the end of the current UN general assembly session this summer."

The problem becomes the disposition of Owada after he is relieved of his current assignment. At one time he was rumored to fill the position of president of the International Exchange Fund, a special corporation operating under the jurisdiction of the Minister of Foreign Affairs, but the current term of President Shinichiro Asao of Year Group 1950 still has more time before it expires.

When Owada was appointed as ambassador to the UN, he was rumored to be destined to fill one of four posts including ambassador to the United States, supreme court judge, judge of the International Court of Justice, and secretary general of the UN. Of those positions, potential for assignment to the positions of ambassador to the United States and supreme court judge is eliminated as a result of Hiroshi Fukuda (former political affairs foreign ministry councillor; Year Group 1959) being assigned as supreme court judge. The position of judge of the International Court of Justice is currently being capably filled by Shigeru Oda, former professor of Tohoku University. Reportedly, Owada himself has a desire to fill the post of UN secretary general, but such an assignment would require the support of the majority of UN member nations and currently the outlook is cloudy at best.

Such being the case, Owada will continue as ambassador to the UN at least through this year and until the end of next year or some other appropriate time when he could exercise an option between becoming a professor at Harvard University or becoming a second Nobuo Matsunaga (Year Group 1945; government representative on diplomatic affairs).

Year Group 1955

Capably filling their current assignments are Ambassador to Russia Koji Watanabe, Ambassador to Great Britain Hiroaki Pujii, and Japan International Cooperation Agency Director General Kimio Pujita. Ambassador to the Philippines Yoshifumi Matsuda, who started his government career with the Ministry of Home Affairs and later transferred to the Ministry of Foreign Affairs, can be positioned with this group.

Watanabe, who is an economist, was a rank amateur when it came to Russia, but he is doing a creditable job in monitoring Russia which is in the process of adopting market economy principles. His performance is substantially attributable to strong support from Minister to Russia Kazuhiko Togo of Year Group 1967. The Russian political situation is uncertain because of the unstable health of Russian President Yeltsin and the outcome for the presidential elections slated for June faces turmoil. Continued reliance will be placed on Watanabe's capabilities.

However, Watanabe faces the strong possibility of being reassigned some time this year. Takehiro Togo, who now serves as ambassador to Turkey, is considered to be a definite replacement for Watanabe.

As the secretary to the late former Foreign Minister and Prime Minister Masayoshi Ohira, Fujii had the privilege of directly witnessing difficult negotiations such as that concerning the Japan-China Air Line Agreement. He has served as ambassador to diplomatically important nations such as Thailand and Great Britain.

Fujita once served as the director general of the Economic Cooperation Bureau, and was transferred into his current position from that of ambassador to Indonesia. Indonesia is the largest beneficiary of Japanese aid. You could say that he is well-suited to fill his current position as director general of the Japan International Cooperation Agency. He is an expert on China. There was a time when he was assigned to the Japan-China Memorandum-of-Agreement Trade Office in Beijing on a loan status. Before being assigned as director general of the agency, he was considered as a candidate as ambassador to China.

Matsuda, who was on loan from the Ministry of Home Affairs, is of exceptional capabilities, was recognized for his performance while serving with the Japanese embassy in the Philippines, and transferred to the Ministry of Foreign Affairs based on a personal request from the minister of foreign affairs at that time to the minister of home affairs. He is serving out his last tour with the ministry at a location which brings back many fond memories. He also established quite a creditable reputation as a former foreign ministry spokesman.

# GroupYear 1956

This group includes Ambassador to Thailand Takashi Onda, Ambassador to Indonesia Taizo Watanabe, Ambassador to Spain Uchiyasu Kurokochi, Ambassador of Japanese Delegation to International Organizations in Vienna Minoru Endo, and Ambassador to Spain Jutaro Sakamoto.

Onda is busy with preparations for the Asian-European Summit to be held in Thailand in March. Watanabe preceded Onda as ambassador to Thailand and served as foreign ministry spokesman before that. Current foreign ministry spokesman Hiroshi Hashimoto of Year Group 1963 is the seventh individual to serve in that position, but none have exceeded the performance of Watanabe. Watanabe's reputation within the foreign press corps was exceptional and he is still spoken of in reference to late evening responses with fidelity to press inquiries in fluent English.

Kurokochi is known as one side of the "husband-andwife diplomatic team" with Kumi Kurokochi of Year Group 1957, who serves as ambassador of the Japanese Delegation to the Disarmament Conference of Geneva. Having served as ambassador to Tanzania and Nigeria, he is well-versed in African issues.

Endo contributed to the compilation of the World Trade Organization agreement. Sakamoto, along with Ambassador to Mexico Terusuke Terada of Year Group 1961, is considered within the Ministry of Foreign Affairs to be an expert on the Spanish language. He is noted for being passionate and is well-known for the heated exchange he had with the director general of the North American Affairs Bureau, who advocated support for the U.S. invasion of Panama, while he himself objected to the invasion.

### Year Group 1957

Among foreign service careers groups, this one stands out the most.

The group includes a galaxy of notables starting with Kunihiko Saito, who was last reassigned from the position of administrative vice minister to ambassador to the United States; Masamichi Hanabusa, who serves as ambassador to Italy; Takehiro Togo, who serves as ambassador to Turkey; Shintaro Yamashita, who serves as ambassador to South Korea; Kumi Kurokochi, ambassador of the Japanese Delegation to the Disarmament Conference; Tetsuya Endo, ambassador in charge of matters concerning the Korean Energy Development Organization (KEDO); and Yoshisuke Sato, ambassador to China.

Generally speaking, they say that any group that produces an administrative vice minister is destined to achieve career successes and this group is typical of that reputation. It appears that the chief of the ministry secretariat and the human resources department chief are prone to consider the wishes of the vice minister and dole out choice assignments to his group associates. Accordingly, there is a "maxim" circulated among ministry personnel that calls for "winning appointment as vice minister within your year group if you wish for a successful career."

Yamashita is known for being a "leader in information analysis" and is just the right person to serve as a monitor for the Korean peninsula which faces a tense situation. Endo is considered the foremost authority on the Korean peninsula within the ministry and will reportedly publish a book before long. Sato once served as a secretary to the late former Prime Minister Masahira Ohira. He is known for having quietly placed a photograph of the late Ohira on the chair that the latter was supposed to occupy during the Venice Summit, when Ohira died shortly before the conference.

# Year Group 1958

Principal members of this group include Grand Master of Ceremonies of Imperial Palace Makoto Watanabe, who was requested to fill that position by the Emperor himself; Ambassador to Canada Takashi Tajima; Ambassador to France Koichiro Matsuuchi; and Ambassador in Charge of Asian-Pacific Economic Conference (APEC) and Ambassador in Charge of Normalization of Relations Between Japan and Korea Hiromoto Seki.

In his previous assignment as ambassador to Myanma, Tajima contributed to the democratization of the country. Matsuura dedicated himself to his duties when Japan-French relations deteriorated because of the French nuclear tests and managed to avoid a situation where relations between the two nations fell to the worst situation. Seki engaged himself in preparations for the APEC Osaka conference and contributed to its success. However, he is a layman when it comes to Korean peninsula issues. His true capabilities will be tested when the Japan-Korea negotiations are launched.

#### Year Group 1959

This Year Group covers a colorful assemblage including Administrative Vice Minister of Foreign Affairs Sadayuki Hayashi, International Interchange Fund President Hiroshi Ota, Ambassador to Egypt Kunio Katakura, Ambassador to Ireland Takanori Kazuhara, Ambassador to India Sakutaro Tanino, and Ambassador to Myanma Yoichi Yamaguchi. Hayashi has consistently worked in the field of economics including a tour as director general of the Economics Bureau, and was last promoted from foreign councillor in charge of economic issues to administrative vice minister for the first time since Nobuo Matsunaga underwent the same promotion. He appears to be irresolute, but is a strong person in substance.

The U.S. military personnel rape of a young girl took place in Okinawa shortly after his appointment as vice minister, preoccupying him with a security issue with which he had no prior experience, but he managed to guide the matter into a controllable situation. The end of 1996 is the deadline for producing solutions to the issue of reducing the size of U.S. military bases in Okinawa which was created by the rape incident. Hayashi should be able to handle the project in a creditable manner.

At one time, he dedicated much time at collecting electric train models and cameras, but his current interest is mountain-walking. He has pursued that new interest even after being assigned as vice minister, but requires his secretary, Junichi Ihara, of Year Group 1978 to carry his cellular telephone.

Katakura is well known as being an expert on Arabian issues. As ambassador to Iraq during the invasion of Kuwait, he directed projects to protect the interests of Japanese residents of Iraq. Tanino was promoted to his current position from that of chief of Cabinet Councillors' Office on External Affairs. India normally becomes the last assignment for seasoned ambassadors. In this case, normal practice is topped by consideration that Tanino's appointment to that position is reflective of the confidence placed in him by Prime Minister Tomiichi Murayama and Foreign Minister Yohei Kono. There is a strong possibility that he will be assigned laterally as ambassador to China, after completing his tour as ambassador to India.

#### Year Group 1960

This group also includes a number of colorful careerists, such as Ambassador to Iran Takeshi Ohara, Ambassador to Pakistan Takao Kawakami, Ambassador to Brazil Chihiro Tsukada, Ambassador to Singapore Katsuhisa Uchida, Chief of Protocol Office Kunisada Kume, Foreign Ministry Councillor in Charge of Political Affairs Shunji Yanai, Ambassador of the Japanese Delegation to International Organizations in Vienna Nobutoshi Akao, Ambassador to Australia Yukio Sato who was reassigned from the position of ambassador to the Netherlands, and Ambassador to Poland Nagao Hyodo.

Ohara is an expert on Arabian issues who once served as ambassador to Saudi Arabia and director general

of the Middle Eastern and African Affairs Bureau and belonged to the Karate team while a student at Tokyo University. Kawakami once served as secretary to the late former Foreign Minister Shintaro Abe, when the latter served as chief cabinet secretary in the Fukuda cabinet. Kume evinces much promise as a Germanlanguage expert.

Yanai is kept busy as a foreign ministry councillor in charge of political affairs. He is a vice ministerial candidate for the post-Hayashi period, but a strong rival is Foreign Ministry Councillor in Charge of Economic Affairs Kazuo Ogura. Supposedly, Yanai's next assignment will depend on the record that he compiles for two years as foreign ministry councillor in charge of political affairs. Akao dedicated himself to UN peacekeeping organizational (PKO) activities when he served as director general of the United Nations Bureau. Within the Ministry of Foreign Affairs, he is considered a leading expert on UN affairs. He still submits recommendations on the reform of specialty agencies of the UN from his current assignment in Vienna.

Sato is the second son of the Buddhist priest in charge of the Kotoku Temple, which is famous as the location of the "Great Statue of Buddha of Kamakura." He is a prominent expert on the United States, a specialist on security issues, and carries the potential of becoming a future candidate for ambassador to the United States. Many members of the foreign ministry look forward to his being appointed as a future vice minister. If he should be reassigned from his current post as ambassador to Australia to ambassador to the United States, it will be first that such a shift has taken place since Yoshio Okawara, currently serving as Federation of Economic Organizations consultant. Hyodo was serving as European and Asian Affairs Bureau director general during former Soviet President Gorbachev's visit to Japan and is a scholar of the Russian language.

### Year Group 1961

The group includes a number of careerists with promise of becoming future vice ministers.

The group stands out within the ministry and includes individuals such as former chief of the Ministry Secretariat Tadashi Ikeda, Foreign Ministry Councillor in Charge of Economic Affairs Kazuo Ogura, Ambassador to Saudi Arabia Minoru Tanba, Ambassador to Portugal Masaaki Kuniyasu, Ambassador to Mexico Terusuke Terada, Ambassador to Argentina Kiyohiko Arafune, Ambassador to Jordan Takayuki Kimura, and Ambassador to Denmark Takaya Sudo.

Ikeda will be promoted to an ambassadorial post, but he is basically a scholar on China. He is a strong candidate for future assignment as ambassador to China. Ogura is currently in charge of economic affairs, but he is also an expert on political issues. Moreover, he maintains an art studio in Paris and is a rare bureaucratic connoisseur of the arts. If Yanai of Year Group 1960 is not appointed as vice minister, Ogura will probably emerge as the next strongest candidate for that position.

If you allow Tanba to address security issues, he is truly first-class. Additionally, he is one of the few diplomats that speaks in a candid manner. Comments are heard within the ministry which say, "It would be nice if Tanba were to become a vice minister." Terada is a student of Spanish affairs. His record as a foreign ministry spokesman was recognized, bringing him an appointment as ambassador to Mexico. There was a time when he served as professor of international relations theory in the liberal arts school at Tokyo University. One of his assets is wide-ranging friends in the mass media world, such as newspapers, press agencies, and television, as a result of having served as chief of the Press Division.

Arafune served as ambassador to Nicaragua and director general of the Central and South American Affairs Bureau, before becoming ambassador to Argentina. He was never a scholar on Spanish affairs, but has become an expert on Central and South American affairs. Sudo is an expert on Arabian affairs. There is no doubt that he will eventually become an ambassador of one of the major Middle Eastern countries.

### Year Group 1962

Central figures in this group include Ambassador of the Japanese Government Delegation to the European Union Atsushi Tokinoya, Ambassador to Malaysia Issei Nomura, Ambassador to Israel Haruhiko Shibuya, and Chief of Cabinet Councillor's Office on External Affairs Hiroshi Hirabayashi.

Nomura was promoted to his current ambassadorial post after successfully completing a tour as director general of the European and Asian Affairs Bureau which included a visit by Russian President Yeltsin. He is basically a Russian expert, and a baseball enthusiast. He is an avid fan of the Hiroshima Carps. He once contributed an article to a monthly magazine which proposed the establishment of a professional East Asian baseball league.

Shibuya has served as Northeast Asia Division chief and councillor of the Asian Affairs Bureau, and is wellversed in Korean peninsula issues. He evinces an unsophisticated air very unlike a diplomat and once experienced an episode during which television newscasters depicted him as the fishing boat captain over several minutes when he and then-Liberal Democratic Party Secretary General Ichiro Ozawa along with the captain and engineer of the "Number 18 Pujizan Maru" returned to Haneda Airport aboard a special plane after release of the latter members of the ship's crew by the Democratic Peoples' Republic of Korea (North Korea).

Hirabayashi, who was assigned as Chief of Cabinet Councillor's Office on External Affairs, a position equal in rank to that of administrative vice minister, after the promotion of his predecessor Tanino to the post of ambassador to India, deployed foreign aid of a somewhat different vein as director general of the Economic Cooperation Bureau which invited skepticism from the United States such as the restoration of yenbased aid to Vietnam and reopening of grant aid to Myanma. He is an unusual bureaucrat in terms of his candid manner of speech.

# Year Group 1963

This group provides the Ministry of Foreign Affairs with structural support. Members of the group filling key positions include former Economics Bureau Director General and current Chief of the Ministry Secretariat Takaichi Haraguchi, ministry spokesman Hiroshi Hashimoto, Treaties Bureau Director General Akira Havashi, Middle Eastern and African Affairs Bureau Director General Kensaku Hogen, Ministry of Justice Immigration Bureau Director General Akira Ishuin (in a loan status), General Diplomatic Policy Bureau Director General Yutaka Kawashima, Central and South American Affairs Bureau Director General Shunichi Sato, Prime Minister's Office International Peace Cooperation Headquarters Administrative Bureau Director General Kojiro Takano, and former International Information Bureau Director General Yushu Takashima. LDP Secretary General Koichi Kato was also an original member of this group.

Haraguchi was approached by Administrative Vice Minister Hayashi to serve as director general of the Ministry Secretariat. When Hayashi was the foreign ministry councillor in charge of economic affairs, Haraguchi extended aid to Hayashi in his capacity as the director general of the Economic Affairs Bureau. Haraguchi also recommended that Hayashi take up mountain-walking as a pastime. Hashimoto is a nephew of Deputy Prime Minister and Minister of International Trade and Industry Ryutaro Hashimoto. He was recognized for his capable handling of domestic and international press conferences conducted in support of Prime Minister Murayama who oversaw the conduct of the APEC Osaka conferences. Treaties Bureau Director General Hayashi

is the son of former Director General of Cabinet Legislative Bureau Yuzo Hayashi. He was promoted to his current position after serving as Armaments Control and Science Councillor. Hogen is the son of the first director general of the Japanese International Cooperation Agency Shinsaku Hogen.

Kawashima is a candidate for the next foreign ministry councillor in charge of political affairs which is a stepping stone to becoming a future administrative vice minister. Sato once was a candidate for the position of foreign ministry spokesman. Takano was promoted from the position of International Social Cooperation Department chief. Now that he has been appointed to a critical position, he will undergo a crucial test of his true capabilities as a foreign service officer. In any event, this group contains members who will comprise a core team within the Ministry of Foreign Affairs of the future.

# Year Group 1964

The group includes individuals such as International Social Cooperation Department Chief Kazuo Asakai, Economic Cooperation Bureau Director General Atsushi Hatakenaka, Asian Affairs Bureau Director General Ryozo Kato, Arms Control and Science Councillor Takekazu Kawamura, Japanese Second Ambassador to the UN Masaki Konishi, Consul General in Los Angeles Seiichiro Noboru, North American Affairs Bureau Director General Masaki Orita, former Minister to South Korea and next International Information Bureau Director General Hiroshi Shigeta, and Ambassador to Syria Tomio Uchida.

Asakai is the son of former Ambassador to the United States Koichiro Asakai. Hatakenaka is an expert on China and was once a candidate for the position of Asian Affairs Bureau director general. Kato is an expert on security issues and is generally expected to become director general of the North American Affairs Bureau. After becoming director general of the Asian Affairs Bureau, conflicts arose with China and South Korea on perceptions concerning past history which kept him busy relative to Japan's responses, but it appears that matters have returned to a normal status. Kawamura is a scholar of the French language. He was once a candidate for appointment as director general of the European and Asian Affairs Bureau.

Noboru was mentioned for a bureau director general position, but suffered an unlucky break. Rumors circulate that he may be appointed as Middle Eastern and African Affairs Bureau director general this summer. Shigeta, who was appointed as International Information Bureau director general, is an expert on Russia. Councillor Shuji Shimokoji of the Year Group 1969 and a member of the bureau is an expert on China, which means that a

Russia-China team has been established within the bureau.

# Year Group 1965

This group includes individuals such as Ambassador to Uzbekistan Ukeru Magosaki, former Minister to the Japanese Government Delegation to International Organizations in Geneva Shohei Naito, Cabinet Information Research Office Deputy Chief Yuji Nakamura, Consul General in San Francisco Kiyohiko Nanao, former Consul General in Hong Kong and next Economics Affairs Bureau Director General Yoshiji Nogami, Minister to Great Britain Sadaaki Numata, Cultural Interchange Department Chief Seiichiro Otsuka, Consular and Migration Affairs Department Chief Masaki Saito, and European and Asian Affairs Bureau Director General Kazuyoshi Urabe. The youngest of the bureau director generals is a member of this year group.

Urabe of the group is a scholar of the French language and was selected for his current position while serving as consul general at Strasbourg. In the past, the successive heads of the European and Asian Affairs Bureau were Russian language specialists and the French language scholar group had long desired "appointment of a French language specialist" to the position. Urabe was chosen from the group to fill the position. He is well-regarded among the press corps for his fine character. He once served as chief of Toyama prefectural police headquarters.

Nogami was recognized for his accomplishments in connection with the North Korean nuclear issue while serving in the position of General Diplomatic Policy Bureau councillor and quickly won appointment as a bureau director general. The question is, will he be able to perform capably on Japan-U.S. economic issues as well as he did on North Korean issues? Nanao was also in charge of economic affairs while serving as minister at the Japanese embassy in Washington, D.C. The position of consul general in San Francisco currently functions as a gateway to an executive appointment in ministry headquarters. The reason is that Foreign Ministry Councillor in Charge of Political Affairs Yanai and Asian Affairs Director General Kato were promoted to ministry headquarters executive positions from the post in San Francisco, but the question is will Nanao benefit from the same promotional pattern?

#### Year Group 1966

This group includes individuals occupying key domestic and overseas positions such as Consul General in Boston Nobuyasu Abe, Senior Councillor Tomoyuki Abe, Consul General in Honolulu Kishichiro Amae, Minister to China Koreshige Anami, on assignment as Ministry of Labor Councillor Makoto Asami (loan basis), Consul General in Chicago Mutsuyoshi Nishimura, Asian Affairs Bureau Councillor Kenzo Oshima, North American Affairs Bureau Councillor Toshiyuki Takano, Minister to the United States Yukio Takeuchi, Consul General in Hong Kong Hideaki Ueda, and General Diplomatic Policy Bureau Councillor Ryuichiro Yamazaki.

Among the group, Anami capably assisted Ambassador Sato, who is a novice on China, and guided complex diplomatic affairs with China without creating major issues. There is the possibility that Anami will serve as Asian Affairs Bureau director general after Kato. Takano, who has been tentatively selected for reassignment as minister to South Korea, dedicated himself to the handling of the September 1995 rape of a young girl by U.S. military personnel and the issue of downsizing U.S. military bases in Okinawa. He is probably disappointed in that he was not able to handle a visit by U.S. President Clinton during his tour as the North American Affairs Bureau chief.

Takeuchi is of exceptional caliber who once served as secretary to the former Prime Minister Kiichi Miyazawa. Ueda capably handled the major task of serving as administrative bureau chief charged with preparations for the Osaka conference of APEC. He will be able to witness the "historical moment" when Hong Kong is transferred from Great Britain to China on 1 July 1997. His hobby is to draw sketches of scenery in locations that he visits in an official capacity.

### Year Group 1967

This group includes KEDO board member in New York Itaru Umezawa (loan capacity), International Cooperation Agency General Affairs Department Chief Kyotaro Ogawa (loan capacity), Minister to South Korea Yoshitaka Kawamura, Minister to Russia Kazuhiko Togo, Economic Affairs Bureau Councillor Norio Hattori, Minister to the UN Matsushiro Horiguchi, Prime Minister Murayama's Secretary Kunihiko Makita, and cabinet councillor Yoshiki Mine (loan capacity). The group includes Yukio Okamoto who resigned from the ministry and currently pursues a career as a political commentator.

Among the group, those considered exceptionally capable include Togo who is an expert on Russia and provides critical support to the Japanese embassy in Russia, Makita who is an expert on China, an Mine who coordinates matters among ministries and agencies as a cabinet councillor.

### Year Group 1968

Principal members of the group include Minister to Australia Naoto Amagi, Minister to France Yutaka limura,

Minister to Great Britain Kyoji Komachi, Economic Bureau Councillor Toshinori Shigeie, UN Administrative Bureau Sachio Takasu (loan capacity), General Diplomatic Policy Bureau General Affairs Division Chief Hitoshi Tanaka, Minister to France Azusa Hayashi, Minister to the United States Ichiro Pujisaki, Consul General in Atlanta Yuji Miyamoto, and Treaties Bureau Councillor Shotaro Taniuchi.

limura was promoted from the position of minister to the United States. He became preoccupied with actions to be taken in response to the French nuclear tests as soon as he reached his post in France. Takasu is an expert on administrative and financial affairs of the UN and even carries the nickname of "Takasu of UN Administrative Reform." He is functioning capably in the restructuring of UN financial affairs which face a crisis situation. Tanaka is a brilliant individual who will be promoted to the position of North American Affairs Bureau councillor at a pace ahead of his group. His first project will be to handle U.S. President Clinton's visit of April.

# Year Group 1969

This group includes many middle-management types such as Economic Affairs Bureau Director General Hiroyasu Ando, International Interchange Fund General Affairs Department Chief Kagefumi Ueno, International Cooperation Agency Planning Department Chief Nobutake Odano, Asian Affairs Bureau Councillor Masaaki Ono, Cultural Interchange Department Councillor Masaaki Ono, Cultural Information Bureau Councillor Shuji Shimokoji, UN Educational, Scientific, and Cultural Agency (UNESCO) member Nobuaki Tanaka (loan capacity), European and Asian Affairs Bureau Councillor Tsuneo Nishida, Minister to Mexico Seigi Hinata, International Social Cooperation Department Councillor Akihiko Furuya, and General Affairs Division Chief Mitoji Yabunaka.

Nishida and Yabunaka will probably continue to climb the diplomatic career ladder.

### Year Group 1970

This group includes many middle-management types just like Year Group 1969 such as Middle Eastern and African Affairs Bureau Councillor Shin Ebihara, Economic Affairs Bureau Councillor in Charge of General Affairs Shinichi Kitajima, Personnel Division Chief Yasuo Saito, Councillor in Charge of Press and Public Affairs Ken Shimauchi, Accounting Division Chief Akio Tanaka, Minister to China Sumio Tarui, Minister to China Itsuo Hashimoto, and Communications Division Chief Hideto Mitamura.

At the beginning of the year, Ebihara will go to the Palestine Autonomous Zone as the chief of the Japanese Government Surveillance Team to monitor elections for members of the Palestine legislature. Kitajima, who is one of the few employees of the ministry who are graduates of Keio University, has been tentatively selected for promotion to the key ministry policy coordination position of General Diplomatic Policy Bureau General Affairs Division chief. Tarui and Hashimoto represent a rare case in which members of the same year group have been assigned concurrently to Beijing.

### Year Group 1971

This group includes councillor assigned to the Japanese Embassy in Thailand Taro Ishibashi, councillor assigned to the Japanese Embassy in China Yasuyoshi Ichihashi, councillor assigned to the Japanese Embassy in South Korea Ichiro Komatsu, councillor assigned to the Japanese Embassy in the United States and tentatively selected for councillor in charge of general affairs in the Economic Affairs Bureau Seiichi Kondo, retired and now serving as professor of Osaka University Takahiro Jinyo, councillor in charge of Diet affairs Yoshio Nomoto, and councillor assigned to the Japanese Embassy in South Korea Masatoshi Muto. The group includes individual foreign service officers who fill key positions in Japanese overseas legations.

At the Japanese Embassy in South Korea, Komatsu handles public affairs and Muto handles political affairs. Of the two, Muto was a member of the first group of Korean language students among career foreign service officers. The Ministry of Foreign Affairs undertook a serious program about that time to develop experts on the Korean peninsula.

In his last position, Kondo served as a councillor at the Japanese Embassy in the Philippines. He wrote articles and contributed them to local newspapers while assigned to the Philippines to disseminate information on Japanese diplomatic policy. He was selected for assignment to the key position of councillor in charge of general affairs in the Economic Affairs bureau as a result of his performance in Manila and Washington, D.C.

Jinyo now serves as professor on international public policy research at the graduate school of Osaka University. Books published include "New United Nations Theory."

#### Year Group 1972

Conspicuous among the group are individuals who occupy positions as key division chiefs or councillors of Japanese foreign legations, such as councilor assigned to the Japanese Embassy in Russia Toshiaki Ozawa, Press Division Chief Katsuaki Katori, First North America Division Chief Masaharu Kono, Organization for Economic Cooperation and Development (OECD) Japanese Delegation Councillor Mitsuo Sakaba, councillor assigned to Japanese Embassy in Malaysia Tetsuo Shioguchi, Overseas Establishments Division Chief Kojiro Shiojiri, and Economic Cooperation Bureau Aid Policy Division Chief and tentatively selected to become Accounting Division Chief Shigeru Nakamura.

Katori is the son of Yasue Katori, former president of the International Interchange Fund who once served as ambassador to China and Russia. The Press Division is responsible for handling the domestic mass media, and Katori is highly regarded because of his pleasant way of dealing with the mass media.

Nakamura will have served in three division chief positions as he moves from the Northeast Asia Division, Economic Cooperation Bureau Aid Policy Division, to the Accounting Division. He is the envy of coworkers and junior foreign service personnel, because successive assignments to such choice positions is a rare occurrence.

# Year Group 1973

The group includes individuals occupying key positions, such as Councillor assigned to the Japanese Embassy in Australia Toshinao Urabe, on assignment to the United Nations Office of the High Commissioner for Refugees (UNHCR) Kenichiro Sasae (loan capacity), councillor assigned to the Japanese Embassy in China Yoshiyuki Sadaoka, Arms Control and Disarmament Division Chief Akira Takamatsu, UN Administrative Division Chief Wataru Nishigahiro, Treaties Division Chief Keiichi Hayashi, and Russian Division Chikahito Harada.

Urabe established a reputation for himself as being capable as a readt of successfully completing a tour as secretary to Hisahi Owada in the latter's capacity as administrative vice minister because of Owada's reputation for being strict when it came to official matters. Sasae is dedicating himself as the assistant to High Commissioner Sadako Ogata. He is an able foreign service officer who has served as chief of the Second North America Division.

Sadaoka was promoted from his last assignment as councillor with the Cabinet International Peace Cooperation Headquarters. Nishigahiro was last assigned in a loan capacity as the Defense Agency Training Division chief. He is known as a theater critic and contributes articles to specialty magazines under a pseudonym.

Harada exclusively handles Russian diplomatic policy formulation projects and will probably be preoccupied with preparations for Prime Minister Muraya.na's April visit to Russia.

# Year Group 1974

This group includes many individuals of high caliber, most of whom are serving in their second assignment as division chiefs, such as Grant Aid Division Chief Norihiro Okuda, General Diplomatic Policy Bureau Planning Division Chief Chikao Kawai, UN Japanese Government Delegation Councillor Yuji Kumamaru, Loan Aid Division Chief Yasuaki Tanizaki, Overseas Public Relations Division Chief Masuo Nishibayashi, Northeast Asian Division Chief Koro Bessho, First International Economics Division Chief Akira Miwa, First West Europe Division Chief Seiji Morimoto, and Security Policy Division Chief Kenjiro Monji.

Some members of the Ministry of Foreign Affairs have qualified under the foreign service officer's examinations, but have been unable to win appointment to division chief positions and continue to serve in overseas legations. Supposedly, having served as a division chief on two different tours itself is evidence of being an exceptional foreign service officer.

#### Year Group 1975

This group includes Ministry Secretariat secretary Masato Kidera, Second International Organizations Division Akitaka Saiki, Legal Division Chief Koji Tsuruoka, Second North America Division Chief Shinichi Nishimiya, Defense Agency Training Division Chief Toshinori Yanagitani (loan capacity), and Research and Planning Division Chief Kazuo Watanabe.

Saiki is known as part of a husband-and-wife diplomatic team. Tsuruoka and Nishimiya comprise a father-andson diplomatic team. They are of a caliber which promises a significant rise in career ladders.

This article covers only a portion of the personnel representing each year group, which means that additional capable personnel are members of each group. I would like to cover personnel in Year Groups 1976 and beyond in a separate article.

# North Korea PRK Article Warns against U.S. 'Host

DPRK Article Warns against U.S. 'Hostile' Maneuvers

962C0034B Pyongyang NODONG SINMUN in Korean 6 Jan 96 p6

[Article by Pack Mun-kyu: "Maneuvers to Choke Our Republic to Death Were Viciously Perpetrated"]

[FBIS Translated Text] The great leader Comrade Kim Il-song taught:

"Today, imperialism, the old force rowing against the current of the times, is showing its reactionary nature more vividly."

Our people have launched out into the new year's first march, full of pride and confidence after crushing all challenges and obstructive maneuvers by the imperialists last year and advancing the revolution triumphantly. It is their indomitable resolve to move on under the red banner of revolution crushing—with the might of their wholehearted unity—the imperialists' maneuvers to choke our republic to death, and thereby to finally attain the socialist cause, the revolutionary cause of chuche.

In retrospect, the situation in the Korean Peninsula was extremely restrained last year. The imperialists maneuvered knavishly to choke off our republic marc. If you under the high banner of socialism, the banner of sevolution.

The imperialists' challenges to detente and peace led to complications in the world situation in general last year. But nowhere else did they strain the situation so severely and undermine peace so gravely as in the Korean Peninsula.

While exerting increasing pressures politically and diplomatically and perpetrating economic blockade maneuvers against us, they pressed on an offensive of an unprecedented scale to choke us to death militarily.

Thus, the Korean Peninsula was turned into a field for a year-long show of force by them.

Above all, the United States mounted their aggressive war games more viciously than ever. In South Korea and its vicinity, it held major and minor military maneuvers against us with no letup, creating a touch-and-go situation. The joint U.S.-South Korean exercises "Freedom Banner 95," "Ulji Focus Lens 95," and "Eagle 95" were literally war-of-aggression maneuvers simulating a full-scale attack against us from the sea, air, and the ground. Numerous U.S. military maneuvers were held in various parts of the world last year, but nowhere they were of so large a scale, and stirring so much of war hysteria, as in South Korea.

In the "Eagle 95" alone, the United States and the South Korean puppets mobilized hundreds of thousands of troops, and means of war of huge sizes, including various types of warships, aircraft, tanks, armored vehicles, and missiles. It was a war game simulating a three-dimensional attack against the fronts and central parts of the northern half of the republic. In fact, it was an act of war rather than a military exercise, reminiscent of actual fighting. The war maniacs, while mounting their frantic, adventurous maneuvers, unhesitatingly babbled that the exercises were for wiping out the northern half of the republic by force "in time of emergency." It was by no means an accident that foreign press agencies, reporting on the war games, said that Korea had become the world's gravest war-danger spot, and that the United States could touch off war at any time there.

Between the United States and Japan's "Self-Defense Forces" [SDF] too, similar joint military maneuvers are being held intensively under the pretext of preparing for "emergency" in the Korean Peninsula. To utilize Japan more effectively in a war of aggression, the United States attached special significance to the maneuvers, stirring war hysteria. The two countries mobilized troops and equipment in force last year to hold those exercises successively, including an army command post exercise, firing bullets and shells in the air, sea and on the ground.

While frantically conducting such war games against us, the imperialists built up their aggressor forces extensively. They transferred numerous up-to-date military equipment to arm the South Korean puppet army. Following the transfer early last year of 20 multipurpose, high-speed wheeled vehicles, the United States turned over to the South Korean puppets 130 "(Abrahms)" tanks, 24 "Apache" attack helicopters, and hundreds of high-speed wheeled vehicles in May and July. Again in September, it provided them with a great deal of military equipment, including 275 "M48A5" tanks. The United States, in fact, armed the puppet army further last year to build it up for use as pawns.

The United States, in the Korea-U.S. Basic Agreement text, pledged itself not to threaten us militarily and, in particular, not to conduct nuclear blackmail against us. What it did actually, however, was a far cry from that pledge. U.S. Defense Secretary Perry, during his visit to Seoul last year, spoke of furthering military cooperation with South Korea, promising the "nuclear umbrella" protection.

Thus, U.S. authorities laid bare their intent not to hesitate to even use nuclear weapons to choke our republic to death.

Last year the United States made special efforts to strengthen a triangle military alliance between the United States, Japan, and South Korea for its aggressive purposes.

First of all, the U.S.-Japan military alliance was beefed up further.

Last year U.S. Assistant Secretary of Defense (Nigh), testifying at a House committee hearing, stated that "the U.S.-Japan security is a keystone of stability in the Asia-Pacific region," unveiling Washington's hidden intention to maintain and strengthen the "security alliance" with Japan continuously. Defense Secretary Perry, during a visit to Japan, said that the U.S.-Japan military ties are in the interest of the two nations, and that there will never be a curtailing of that alliance. Japanese reactionaries, stating that they will do everything in their power to upgrade the military alliance with the United States for the "security" of Northeast Asia and Japan, sharply increased the budget for the maintenance of the U.S. Forces in Japan. They also reviewed the issue of offering Japa ese ports, highways, airfields, and other strategic facilities for U.S. military use in "time of emergency."

The military collusion between Japan and South Korea was also stepped up last year by U.S. instigation.

Japan's top military leaders, including the chairman of the SDF Joint Staff Council and the director general of the Defense Agency [DA], flew to South Korea one after another for secret talks with heads of the puppet army on expanding military exchanges and cooperation. And they promised to hold "talks" between the DA director general and the South Korean defense minister on a regular basis. As fleets of the Japanese Maritime SDF and the South Korean puppet navy carried out mutual visits and joint exercises in the name of "return visits," SDF and South Korean military leaders were busy visiting one another. This proves that a U.S.-Japan-South Korea triangle military alliance system is, in fact, already operating at full swing.

As it shows, the triangle military alliance is an alliance against our republic and other Asian nations.

The U.S. war games and arms buildup and the triangle military alliance maneuvers last year aggravated the tension in the Korean Peninsula and the threat of war, causing global concerns. It was because of our peace-loving position and patient efforts that nevertheless, there was no war in the Korean Peninsula and peace was maintained.

Last year again, we patiently endeavored to replace the truce accord with a peace agreement for a lasting peace

and security in Korea and to establish a new system to ensure peace.

Facts fully prove that the United States is the culprit creating tensions in the Korean Peninsula and neighboring areas, and that it is swearing black is white with false allegations of "threats" and "possible provocations" against us. It is not our republic but the United States that is bellicose.

We will certainly keep tabs on all hostile maneuvers perpetrated last year by the United States against our republic.

Peace is dear to us, but we do not beg for it. It is the firm will of our people to crush any maneuvers against our republic and defend socialism to the last.

The United States should take a straight look at its own behavior, which is a typical case of evil-doer's audacity, and know that it will have to face the same consequences as a man thrusting his fingers into his own eyes. It should stop and ponder.

# **DPRK Daily Decries Bringing Korea Issue to UNSC**

SK1604144796 Pyongyang Korean Central Broadcasting Network in Korean 1251 GMT 16 Apr 96

[Commentary from 16 April NODONG SINMUN: "They Have Been Put to Huge Disgrace"]

[FBIS Translated Text] There is an old saying that spoiled worms crawl sideways in an oil-papered room. The South Korean puppets are now behaving like them. Scenes at the UN Headquarters in New York on 9 and 10 April show this.

On 9 April, the South Korean puppets attempted to bring the issue concerning the tense situation on the Korean peninsula to discussion at the UN Security Council [UNSC] in a bid to shift the responsibility for the strained situation, which was created by their reckless and frantic war maneuvers, onto us. However, their attempt was frustrated from the beginning.

As things progressed, the puppets should have learned a lesson from this and should have behaved properly. Nevertheless, the next day they presented a so-called presidential statement to the UNSC, created by themselves, expressing concern about the breakdown of the Armistice Agreement by us and urging us to observe it. However, the document was also rejected without being submitted to the UNSC.

The puppets must have experienced much trouble and must have madly run wild attempting this persistent vicious thing. However, their attempts failed even before being exposed. How did the puppets look? Imagine the dishonored appearance of the puppets who had to return twice with drooping shoulders and red faces. It reminds us of a rooster soaked in the rain.

In conclusion, the South Korean puppets have been disgraced in front of the world as a result of their attempts to bring a matter aimed at harming us to the UNSC. The South Korean puppets are stooges who have no real right in the security issue on the Korean peninsula [namjoson koeroedullo marhamyon choson pandoeso amuron silgwondo omnun hosuabidurida].

As for the Korean Armistice Agreement, it was signed between us and the United States, and the South Korean puppets do not have a stake in it. Moreover, the commander-in-chief of the U.S.-South Korean Combined Forces is an American general, and the United States has the prerogative of military command. Nevertheless, the South Korean puppets, who are mere dummics, raised this issue at the Security Council while talking about security as if they possess any real power. This would even make a cat laugh.

It was not us who destroyed the Korean Armistice Agreement but the United States and the South Korean authorities under U.S. patronage, who historically and systematically destroyed and infringed upon the Armistice Agreement and the armistice supervisory organizations wearing the hat of the UN Forces.

We presented a proposal to establish a new peace mechanism on the Korean peninsula in order to change the armistice into durable peace, and have constantly and patiently exerted efforts to realize the proposal. It is preposterous for the South Korean puppets to blame us for destroying the Armistice Agreement and attempt to make it an international issue. Water flows along one course, and sin returns to the one who committed it. Impartial international opinion supports and sympathizes with our efforts to maintain peace on the Korean peninsula, and denounces and rejects the South Korean puppets who destroyed the Armistice Agreement and dash toward war.

The act of the South Korean puppets shows they still cling to the line of confrontation while instigating a war. Despite our warnings, they make futile attempts to find a way out of their political and power crisis by engaging in a confrontation against us. As an example, the puppet prime minister and military leaders recently visited frontline units and inspired a war fever.

The South Korean puppets should not misinterpret our will for peace as weakness. The failed attempt of the puppets to raise this issue at the Security Council only exposed the fictitiousness of their assertion that

we deliberately violated the Armistice Agreement to achieve a specific goal, that is, to sign a peace agreement with the United States. If one stays close to a sinner, one might easily share the sinner's punishment of being struck by lightning. Those who use reason are well aware of this.

The United Nations had its name and flag stolen and used to violate the Armistice Agreement. This is an unerasable stain on the history of the United Nations. If there is anything to be done by the United Nations, though belatedly, it is to remember its unpleasant past concerning the Korean issue and to charge the United States and the South Korean authorities with systematically destroying and incapacitating the Armistice Agreement.

The South Korean puppets should have a good understanding of their situation. If they are not to be put to a more disgraceful shame before the people of the world, they should stop such foolish acts as spitting into the sky.

# DPRK: Comments on South's Civil Defense Exercises

SK1704032696 Pyongyang KCNA in English 0257 GMT 17 Apr 96

["NODONG SINMUN on Military Training in S. Korea" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA) — NODONG SINMUN today comments on a large-scale military training codenamed "day of civilian defense" staged by the South Korean puppets in main cities on Monday with the mobilization of fighter planes.

The daily says:

We cannot remain an onlooker to the fact that the warmaniacs continue engaging in military exercises against the North under the pretext of "examining the civilian defense capacity to cope with the north's military threat."

Through the training, the Kim Yong-sam group sought to foster antagonism against the North among the people, ignite a war against the North and use them as cannon fodders in the war.

Spreading rumours about "threat by the North" for the purpose of a war is a customary practice of those who suffer from the ruling crisis.

The puppets have turned the Demilitarized Zone into an attack position and staged provocative military manoeuvres against the North in areas near the Military Demarcation Line, while preparing the inhabitants in the rear as cannon fodders. The fact indicates that they have become rabid in war preparations.

Though the Kim Yong-sam group are trying hard to find a way out of the catastrophic crisis in the provocation of a war against the North, it will only precipitate their doom.

# DPRK: CPRF Issues Information on South's 'Smear Campaign'

SK1704034296 Pyongyang KCNA in English 0254 GMT 17 Apr 96

["CPRF Warns S. Korean Authorities Against Aggravating Inter- Korean Confrontation" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA)

— The Committee for the Peaceful Reunification of the Fatherland [CPRF] in its information issued on April 13 said the South Korean authorities must know that they will get nothing but destruction from confrontation and smear campaign against the North.

Citing the fact that the South Korean ruling quarters are alleging that the tense situation is creating on the Korean peninsula and the inter-Korean relations are aggravating because the North is "threatening" the South in a military way, "slandering the South" and "avoiding" dialogue, it said their foolish attempt to misrepresent the fact reminds one of a thief crying stop thief. The CPRF further said:

It requires little penetration to see why the South Korean authorities have launched an unprecedentedly malicious smear campaign and slanders against the North.

By doing so, they are trying to tar the North's authority, which is ever mounting for it is enforcing politics of independence, benevolent politics and successfully building the Korean-style socialism centred on the popular masses, united in one mind.

And they are aiming at screwing up confrontation and tensions on the Korean peninsula to crack down on the ever growing anti-Kimss Yong-sam struggle of the South Korean people, find a way out of the crisis of the rule, bring in more mailtary equipment from abroad and keep other countries from improving relations with the North.

We will take a decisive step to totally remove the root cause of smear campaign, slander, confrontation and war in the Korean peninsula if the South Korean ruling quarters continue recklessly slandering the North's dignified political system and the socialist system centred on the popular masses, inspite our repeated warnings.

### DPRK: KPA Spokesman's Statement Distributed as UNSC Document

SK1504064696 Pyongyang KCNA in English 0556 GMT 15 Apr 96

[FBIS Transcribed Text] Pyongyang, April 15 (KCNA) — A statement of the spokesman for the Panmunjom mission of the Korean People's Army [KPA] concerning the extensive ill-boding military movements in the area south of the Military Demarcation Line, which can be seen on the eve of war, was distributed as official document S/1996/253 of the Security Council of the United Nations [UNSC] on April 10.

# DPRK: Ethiopian Premier Sends Letter, Gift to Kim Chong-il

SK1204134996 Pyongyang KCNA in English 0951 GMT 12 Apr 96

[FBIS Transcribed Text] Pyongyang, April 12 (KCNA)

— Meles Zenawi, Prime Minister of Ethiopia, sent a
personal letter and a gift to the Great Leader Comrade
Kim Chong-il.

They were handed to an official concerned by Sufian Ahmed, Minister of Finance of Ethiopia, on a visit to Korea.

# DPRK: Kim Chong-il Receives Gift From Visiting Russian Delegation

SK1204042996 Pyongyang KCNA in English 0337 GMT 12 Apr 96

[FBIS Transcribed Text] Pyongyang, April 12 (KCNA)

— The great leader Comrade Kim Chong-il received a gift from the Russian Government.

The gift was handed to Vice-Premier Hong Song-nam by V.N. Ignatenko, deputy prime minister of Russia, on a visit to Korea.

# DPRK: Kim Chong-il Receives Gift From Communist Party of Moldova

SK1704092996 Pyongyang KCNA in English 0840 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA)

— The great leader Comrade Kim Chong-il received a gift from the Central Committee of the Communists Party of the Moldovan Republic.

The gift was handed to Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea, by N. Voronin, first secretary of the Central Committee the party, on a visit to Korea.

DPRK: Kim Chong-il Thanks Public Security Ministry, Others

SK1704053996 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 13 Apr 96

[FBIS Tr anslated Text] The respected and beloved Supreme Commander Commander Commander Character (young do ja) of our party and people, extended his high appreciation and thanks to the Public Security Ministry and a unit of the Korean People's Security Forces.

Upholding the respected and beloved general's order, in March, functionaries of the Public Security Ministry and soldiers of the unit of the Korean People's Security Forces to which Comrade Chang Tong-hui belongs performed a feat of delivering several thousand tonnes of material to a construction site of a major facility in a short period of time.

Upon hearing of their achievements, the respected and beloved general bestowed a great favor on them by sending a personally- signed letter that he will extend the supreme commander's high appreciation to the Public Security Ministry and thanks to the mobilized unit.

A meeting to deliver high appreciation and thanks extended by the respected and beloved Supreme Commander Comrade Kim Chong-il was held at the Ministry of Public Security on 13 April.

Present at the meeting were Comrade Kye Ung-tae, member of the Political Bureau of the Central Committee of the Workers Party of Korea and secretary of the party Central Committee; Comrade Paek Hak-nim, minister of public security and vice marshal of the Korean People's Army; responsible functionaries of the Ministry of Public Security; public security workers; and officers and soldiers of the Korean People's Security Forces.

Comrade Kye Ung-tae delivered high appreciation and thanks from the respected and beloved Supreme Commander Comrade Kim Chong-il at the meeting.

Following this, Vice Marshal Paek Hak-nim; Chang Tong-hui, general of the Korean People's Security Forces; and Kim Sung-pok, officer of the Korean People's Security Forces delivered their speeches of resolution.

A letter of pledge to the respected and beloved Supreme Commander Comrade Kim Chong-il was adopted at the meeting.

### DPRK: Kim Chong-il Receives Letters From Overseas Koreans

SK1704041936 Pyongyang KCNA in English 0249 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA) — The great leader Comrade Kim Chong-il received letters from Kang II, chairman of the International Korean Association (Unity) called Kotongnyon, and Yang Yong-tong, chairman of the General Federation of Korean Citizens in China, on the occasion of the birth anniversary of the great leader President Kim II-song.

Kang II says in his letter that the whole life of President Kim II-song was a brilliant life of an outstanding revolutionary who devoted himself to the country, the revolution and the people.

Overseas Koreans always feel reassured as they are led by the respected General Kim Chong-il, he says, adding that Kotongnyon will invariably uphold and follow him to the end and devote their all to the struggle for national reunification.

Yang Yong-tong notes in his letter that the Koreans in China are firmly resolved to glorify the immortal revolutionary feats of Generalissimo Kim Il-song for all ages, uphold Marshal Kim Chong-il with loyalty, accomplish the revolutionary cause of chuche and bring earlier the reunification of the country without fail.

The letters wish Marshal Kim Chong-il a long life in good health.

# DPRK: Yang Hyong-sop Sends Greetings to Syrian People's Council

SK1704083996 Pyongyang KCNA in English 0757 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA) — Yang Hyong-sop, chairman of the Supreme People's Assembly, sent a message of greetings to Abdul Kader Kaddoura [spelling of name as received], president of the People's Council, on the 50th anniversary of the national day of Syria.

Believing that the friendly and cooperative relations between the parliaments of Korea and Syria would further strengthen and develop in the future, the message wished the president success in his work.

# DPRK: Paper Marks Syrian Arab Republic's National Day

SK1704054496 Pyongyang KCNA in English 0304 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA)
 NODONG SINMUN today dedicates an editorial

article to the 50th anniversary of the national day of the Syrian Arab Republic.

Pointing out that the Syrian people are making strenuous efforts to consolidate the socio-political stability of the country and attain national sovereignty and territorial integrity, the article says:

Maintaining "the land for peace principle" in solving the Mid- East issue, Syria is striving to settle it in a package and fair way and rejecting all forms of threats, blackmail and pressure.

The government and people of Syria are developing friendly and cooperative relations with the peoples of many countries, strengthening unity and cooperation with those of the Arab countries.

The Korean people are sincerely rejoiced over the achievements made by the Syrian people in the struggle to consolidate national sovereignty and build a new life. They extend full support and solidarity to the just stand and efforts of the Syrian Government and people for the return of the Golan Heights, a territory of Syria, and for a fair solution to the Mid-East issue.

Friendship between Korea and Syria will further strengthen and develop in the struggle to realise the common purpose and ideal.

The Korean people sincerely wish the Syrian people greater success in their future work.

# DPRK: Embassy Marks Anniversary of Swiss Reunification Committee

SK1704090996 Pyongyang KCNA in English 0852 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA)

— A meeting was held in the DPRK Embassy in
Berne on April 4 to mark the 20th anniversary of
the formation of the Swiss Committee for Supporting
Korea's Reunification.

Martin Lotscher, secretary general of the committee, said in his speech that the committee would make all efforts in the future, too, to actively support the just struggle of the Korean people for the reunification of the country.

He expressed the belief that the Korean people would reunify the country by means of confederacy under the wise leadership of the great leader Comrade Kim Chong-il.

# DPRK: Chang Chol Meets Head of Yugoslav Art Troupe 16 Apr

SK1704092696 Pyongyang KCNA in English 0846 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA) — Chang Chol, vice-premier and minister of culture and art, met and had a friendly talk with Goran Trivan [spelling of name as received], who is heading the Yugoslav art troupe participating in the 14th April Spring Friendship Art Festival, at the Mansudae Assembly Hall on Tuesday [16 April].

On hand were Choe Nyong-ku, vice-minister of culture and art, and Ljubomir Ojukic, Yugoslav ambassador to Korea.

# DPRK: Central Committee Sends Letter to Art Festival Participants

SK1704090896 Pyongyang KCNA in English 0856 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA)

— The Central People's Committee of the Democratic People's Republic of Korea sent a letter to the participants in the 14th April Spring Friendship Art Festival on April 17.

The letter said that the festival was an international art festival which made a great contribution to strengthening mutual solidarity among artistes of many countries who value the noble idea of independence, peace and friendship, to expanding and developing cultural exchange and cooperation among them and to deepening friendship and unity among countries.

Foreign artistes and overseas Korean artistes significantly adorned the festival by putting on stage excellent art achievements of their countries and nations, the letter noted, and continued:

Especially, during the festival, the participants fully expressed their ardent reverence for the great leader President Kim II-song, highly praised his revolutionary exploits and powerfully encouraged the struggle of the Korean people.

This is a clear expression of support and solidarity of the progressive humankind and men of culture and art all over the world to the Korean people who are confidently advancing toward the hopeful 21st century along the road of the revolution chosen by themselves, upholding the banner of independence.

The Central People's Committee of the DPRK in the letter expressed the belief that all the participants in the festival would render unsparing sincerity and efforts to further develop the idea and tradition of the April spring friendship art festival.

It hoped they would make fine success in their cultural and art activities and cultural exchange to build a free and peaceful, new world.

# DPRK: Administration Council Hosts Arts Festival Reception

SK1604051896 Pyongyang KCNA in English 0417 GMT 16 Apr 96

(FBIS Transcribed Text) Pyongyang, April 16 (KCNA)

— The Administration Council of the DPRK gave a reception for the participants in the 14th April Spring Friendship Art Festival on Monday evening on the occasion of April 15, the birthday of the great leader President Kim Il-song.

Invited to the reception were artistes from different countries and overseas Korean artistes, who are participating in the festival.

Vice-presidents Yi Chong-ok and Pak Song-chol, who are Politburo members of the C.C. [Central Committee], the Workers' Party of Korea [WPK], secretary of the WPK Central Committee Kim Chung-nin, Vice-Premier and Minister of Culture and Art Chang Chol, who is chairman of the festival organizing committee, and officials concerned were present there.

Speeches were made at the reception.

# DPRK: Yi Chong-ok, Pak Song-chol, Kim Pyong-sik at Performance

SK1704044796 Pyongyang KCNA in English 0300 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA) — Joint performances of the 14th April Spring Friendship Art Festival were given by foreign artistes, overseas Korean artistes and Korean artistes at theatres in Pyongyang on April 14 and 16.

In the performances, they highly praised the undying exploits of the great leader President Kim Il-song who devoted his whole life only to the freedom and happiness of the people and to the cause of global independence and stressed that he will be with humankind forever.

They also vividly represented the praise of all the people for the great leader Comrade Kim Chong-il and their absolute trust in him and sincerely wished him a long life in good health.

They well portrayed the noble mental world and the desire of the peoples to live a happy and worthwhile life in an independent and peaceful, new world.

Vice-Presidents Yi Chong-ok, Pak Song-chol and Kim Pyong-sik, senior party and state cadres appreciated the joint performances and congratulated the artistes on their successful performances.

# DPRK: Pak Song-chol, Others Attend Closing of Spring Art Festival

SK1704093196 Pyongyang KCNA in English 0901 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA) — A closing ceremony of the 14th April Spring Friendship Art Festival, which had opened in Pyongyang on April 7, took place at the 6,000-seat theatre of the April 25 House of Culture on the 17th.

Put on the stage of the festival commemorating the birth anniversary of the great leader President Kim Il-song were colorful art pieces fully showing not only the noble mental world of the progressive peoples of the world who love independence and peace but also the national art of many countries.

Attending the closing ceremony together with the participants in the festival were Vice-President Pak Song-chol and Vice-Premier and Foreign Minister Kim Yong-nam, who are members of the Political Bureau of the Central Committee of the Workers' Party of Korea, Vice-Premier and Minister of Culture and art Chang Chol, who is chairman of the Organising Committee of the festival, officials concerned and working people in the city.

It was also attended by foreign diplomatic envers to Korea.

Prizes of the festival were awarded to the art organisations and artistes who showed an excellent artistic skill during the festival.

Pak Song-chol conveyed a letter of the Central People's Committee of the DPRK to the participants in the festival.

The closing ceremony adopted a letter of thanks to the great leader Comrade Kim Chong-il in the name of the participants in the festival.

In his closing address, Chang Chol said that through the festival, its participants made great contributions to strengthening friendship and unity among countries and nations, activating cultural cooperation and tightening the bonds of friendship among them and to enriching and beautifying the flower garden of culture and art of humankind by successfully representing the aspiration and desire of the progressive humankind to live in harmony, supporting and cooperating with each other in an independent, peaceful and friendly world.

A closing performance was given.

# DPRK: WPK Central Committee Delegation Departs for Africa 16 Apr

SK1604120896 Pyongyang KCNA in English 1158 GMT 16 Apr 96

[FBIS Transcribed Text] Pyongyang, April 16 (KCNA)

— A delegation of the Workers' Party of Korea
[WPK] led by a vice department director of its Central
Committee, Choe Chin-su, left here today to visit
African countries.

It was seen off at the airport by Yim Sun-pil, vice department director of the C.C. [Central Committee], the WPK.

# DPRK Paper Says History of Korea Began With Kim Il-song

SK1304103396 Pyongyang KCNA in English 0826 GMT 13 Apr 96

["Origin of Great History" - KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 13 (KCNA)

— A new history of Korea, the Korean nation and humankind began with the birth of the great Comrade Kim Il-song, says the political essay of NODONG SINMUN today.

The essay titled "Origin of Great History" points out that the whole life of Corumele Kim Il-song, who brilliantly adorned the 20th century, was the greatest of histories of men, revolutionaries and leaders of the working class.

It further says:

April 15, 1912, was the birthday of a peerless man, the greatest of great men in the world.

This was the birthday of the Kim II-song nation and socialist Korea and a great day when the immortal era of chuche, the era of independence, which is the highest and most brilliant in human history, started.

This birthday is an eternal starting point from which a new era of history, a great era of independence, started. This is an eternal origin of the spirit and lineage which would be inherited forever. It is also an eternal starting-point of life whereby our people and progressive humanity will honor themselves with the struggle and creation, victory and glory, happiness and prosperity for all ages.

It is the great anniversary our people and independent humanity greet with the highest respect and reverence and a target of the noblest love and worship.

Korea has become a land of history which produced a great father praised by all people and a sacred land of great origin which rising generations will remember forever, as it was guided by the respected Comrade Kim Il-song without an equal in world for the first time in history spanning thousands of years.

April 15, 1912, will be remembered as a day of historic origin for ever thanks to Comrade Kim Chong-il, who is as great as Comrade Kim Il-song.

Korea proudly creates a great history of chuche in its own annals as it has the unshakable faith, matchless grit and invincible stamina of the great General Kim Chongil.

No force can destroy or change the temperament of our people, who have grown under the care of Comrade Kim Il-song, and their character and faith to follow only General Kim Chong-il.

The spring of April will shine forever thanks to Comrade Kim Chong-il.

# DPRK: NDFSK Pyongyang Mission Lays Flowers at Kim Il-song Statue

SK1604050796 Pyongyang KCNA in English 0355 GMT 16 Apr 96

[FBIS Transcribed Text] Pyongyang, April 16 (KCNA) — Chief Yi Chong-sang and members of the Pyongyang mission of the National Democratic Front of South Korea (NDFSK) laid a floral basket and made bows before the statue of the great leader President Kim Ilsong on Mansu Hill on April 15, his birth anniversary.

Hanging from the basket were ribbons bearing letters "The great leader Comrade Kim Il-song will be immortal. Pyongyang mission of the National Democratic Front of South Korea."

Members of the mission hardened their determination to discharge their duty of vanguard fighters in the struggle to bring earlier national reunification under the leadership of the respected General Kim Chong-il, true to the behests of the great leader Comrade Kim Il-song.

# DPRK: Egyptian Delegation Visits Kim Il-song Statue

SK1704054296 Pyongyang KCNA in English 0301 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA)

— The delegation of the General Trade Union for Building and Wood Industries Workers of Egypt headed by First Vice-Chairman Abdel Aziz Abdel Hamidmi Mahmud [name as received] laid a floral basket before the statue of the great leader President Kim Il-song on Mansu Hill and mcde a bow on April 16.

It arrived in Pyongyang Tuesday.

# DPRK: Peruvian Groups Begin 100-Day Event To Remember Kim Il-song

SK1704082996 Pyongyang KCNA in English 0756 GMT 17 Apr 96

[Spelling of names as received]

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA)

— An opening ceremony of a 100-day event for remembering the great leader President Kim Il-song was held at the building of the National Association of Journalists of Peru on the occasion of his birth anniversary.

Present there were Genaro Ledesma Izquieta, chairman of the People's Front of Workers, Peasants and Students of Peru, and officials of political parties and public organisations.

Speaking at the ceremony, Angel Castro Lavarello, president of the National Executive Committee of the Left Revolutionary Union of Peru, called for grandly organizing various political and cultural events across the country during the 100 days for remembering President Kim Il-song.

# DPRK: Egyptian Cultural Official Praises Feats of Kim Il-song

SK1704082896 Pyongyang KCNA in English 0754 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA)

— Vice- Minister of Culture of Egypt 'Ali Muhammad 'Ali Shadi, head of the Egyptian National Dance Troupe, who is participating in the 14th April Spring Friendship Art Festival, was interviewed by KCNA.

He highly praised the feats of the great leader President Kim II- song.

He said:

"President Kim Il-song was a standardbearer of the people's struggle for freedom and independence.

"He founded the immortal chuche idea, awakened and organized the popular masses and turned Korea into a country which is united in one mind, a developed country with the powerful industrial foundation.

"He devoted his all to the people.

The authority of President Kim II-song has been recognized internationally. He performed the immortal feats for the cause of the people and will be alive forever in the hearts of the world progressive people.

"His revolutionary history as a great man, a great revolutionary and a distinguished leader will be immortal."

### DPRK: Overseas Koreans Visit Kumsusam Memorial Palace

SK1504064196 Pyongyang KCNA in English 0352 GMT 15 Apr 96

[FBIS Transcribed Text] Pyongyang, April 15 (KCNA) - Vice- chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) Kim Su-sik, a delegation of Chongnyon officials led by Vice Department Director of its Central Standing Committee Yi Han-su, a delegation of Japan- resident Korean businesswomen led by Chairperson of the Central Standing Committee of the Democratic Union of Korean Women in Japan Kim Il-sun, home-visiting groups of students of Korean University under the Chongnyon, the 259th home-visiting group of Koreans in Japan and other delegations and visiting groups of Chongnyon, and other overseas Koreans on Sunday paid homage to the great leader President Kim Il-song, who is preserved in state at the Kumsusan Memorial Palace.

Yi Han-su wrote in the visitor's book:

Though the fatherly Generalissimo Kim Il-song passed away, he is alive in the hearts of overseas compatriots, as the great sun of the nation, the brilliant sun of chuche.

Kim Il-sun wrote:

We will cherish the faith that the great leader Generalissimo Kim Il-song is always with us and make all possible effort for prosperity of our country and our homeland, upholding the respected Marshal Kim Chong-il, the great leader of our people, with loyalty and filial piety, true to the behest of the generalissimo.

# DPRK: Working People, School Children Remember Kim Il-song

SK1404092396 Pyongyang KCNA in English 0711 GMT 14 Apr 96

[FBIS Transcribed Text] Pyongyang, April 14 (KCNA) — Working people and school youths and children met on April 13 to speak highly of the loving care and solicitude of the respected leader President Kim Il-song.

Officials and members of the General Federation of Trade Unions of Korea said that he was a tender-hearted father who reared the working class and union members as revolutionaries unfailingly loyal to the party and led them to live a worthwhile life.

They went on to say that the fatherly leader Comrade Kim Il-song worked hard to make the Korean working class a driving force of the chuche revolutionary cause, firmly believing in them as the leading class of the revolution. Officials and members of the Korean Democratic Women's Union said that it was thanks to the warm care of the fatherly leader that the Korean women have been able to enjoy proud dignity befitting human being as well as rights and freedom equal to men, lead a happy life and grow up to be forces powerful enough to make great contributions to the revolution and construction.

Pyongyang youths and students held a poem recitation meeting to commemorate the 84th birth anniversary of President Kim Il-song.

The reciters said the Korean people would remember forever the glorious days when they have lived upholding as the great sun the fatherly leader who was born in so a simple straw-thatched house on an ordinary day of April 1912.

They also said with emotion that for the great feats he had performed all his life, April of his birth will be sung for ever along with "Song of General Kim II-song."

On the same day school children held a national meeting to laud the virtues of the great leader President Kim Ilsong and the respected Comrade Kim Chong-il on the occasion of the 5th anniversary of their tree planting in the April15 children's flower garden.

# DPRK: Yi Chong-ok Attends Meeting to Award Commendations

SK1404093196 Pyongyang KCNA in English 0715 GMT 14 Apr 96

[FBIS Transcribed Text] Pyongyang, April 14 (KCNA) — State commendations were awarded to model officials and young people on the occasion of the birth anniversary of the great leader President Kim Il-song.

Awarding meetings were held at the Mansudae Assembly Hall on April 13.

Present there were Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and vice- president, and other officials concerned.

The title of Labour Hero and Gold Star Medals (hammer and sickle) and Order of National Flag First Class were conferred on Kim Chol- son, director of the Political Department of the Ministry of Marine Transport, who aroused party members and working people in the implementation of the party policy, contributing to carrying through the revolutionary economic strategy of the party, while working as party official for a long time and one other, and "Order of Kim Il- song" to manageress Pak Ok-chun of the Tongdaewon garment factory in Pyongyang Municipality who contributed to the economic

development of the country and improvement of people's living standard and two others.

"Kim Il-song Youth Honour Prize" was awarded to Yang Sun-chol, student of Kim Il-song University; Sim Tong-kuk, first secretary of the Paekam County Committee, Yanggang Province, of the Youth League and 104 others for setting examples in the work of the league, in carrying on their revolutionary tasks, in study and organizational life and "Kim Il-song Children Honour Prize" to 201 school children.

# DPRK: Monument to Kim II-song Built at Chang Chol-ku University

SK1404093596 Pyongyang KCNA in English \_ 0719 GMT 14 Apr 96

[FBIS Transcribed Text] Pyongyang, April 14 (KCNA)

— A monument to proposition of the great leader

President Kim Il-song was built at Chang Chol-ku

University on the occasion of his 84th birth anniversary.

The large granite monument will convey long to posterity the noble intention of the respected leader President Kim Il-song and the dear leader Comrade Kim Chong-il for education of generations to come.

Engraved on it are the following letters from President Kim Il-song's reminiscences "With the Century":

"All our people were delighted at the renaming of the Pyongyang University of Commerce after Chang Chol-ku. They were deeply moved by the fact that a university could be named after the ordinary member of a cooking unit. Such a title of honour, they said, could only be given under our socialist system, which does not discriminate between jobs, but holds in high esteem workers as unassuming heroes who work hard to provide their fellow people with a comfortable life, good food, good clothing and good housing.

"When renaming the Pyongyang University of Commerce as Chang Chol-ku University, we hoped that the younger generation would be workers as loyal to their revolutionary duty as Chang Chol-ku had been.

[Signed] Kim Il-song "

The great leader Comrade Kim Chong-il has put up the anti- Japanese revolutionary fighters, as the proud first generation of the Korean revolution, in history and among the people. In 1990, he saw to it that the Pyongyang University of Commerce was named after Chang Chol-ku, who was unfailingly loyal to her revolutionary duty as a cooker for the headquarters in the period of the anti-Japanese armed struggle.

A ceremony for unveiling the monument was held at Chang Chol-ku University on Friday.

# DPRK: Editorial on Kim Il-song Birthday

SK1504075896 Pyongyang KCNA in English 0412 GMT 15 Apr 96

["Tradition of Certain Victory Will Be Inherited" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 15 (KCNA) — NODONG SINMUN today gives frontpage prominence to an editorial captioned "Our Party and People Will Carry Forward Tradition of Certain Victory to the End" on the occasion of the birth anniversary of the great leader President Kim Il-song.

The great leader Comrade Kim II-song is the external symbol of certain victory, the editorial says, and continues:

His revolutionary life is a glorious history of certain victory.

The respected Comrade Kim Il-song is an outstanding leader of the working class who adorned the whole history of his revolutionary struggle with the greatest victory and exploits.

For the creation of the unprecedentedly glorious history, he is alive along with the times and revolution as the supreme incarnation of victory.

The history of his revolutionary struggle is a history of a legendary hero who emerged ever-victorious in confrontation with imperialism, a history of a distinguished socialist political leader who led creation and construction only to a certain victory and a history of an outstanding leader who laid all foundations for our revolution to emerge victorious forever.

His history of certain victory is creditably carried forward by the respected Comrade Kim Chong-il.

Comrade Kim Chong-il is the great leader of our party and revolution who is glorifying Comrade Kim Il-song's glorious history of certain victory forever.

It is his firm resolution to glorify Comrade Kim Ilsong's history of certain victory for all ages.

Since they have the tradition of certain victory established by Comrade Kim Il-song and they are under the wise guidance of Comrade Kim Chong-il, our people have become the most revolutionary people who are emerge ever-victorious.

Ours is the most powerful and dignified people who live and fight in the two great leaders' spirit of independence, an indomitable revolutionary people who break through difficulties with the faith and grit of the two great leaders and an invincible people who emerge victorious by carrying forward the tradition of unity established by Comrade Kim Il-song.

It is a great pride of our party and people to have the history of certain victory made by the two great leaders.

The glorious history is associated with the valuable selfsacrificing spirit, blood and sweat of the revolutionary forerunners. Certain victory is the eternal tradition of the Korean revolution that the revolutionary forerunners have passed on to our generation and that our generation will hand down to posterity.

Our party and people will glorify forever the brilliant history of certain victory made by Comrade Kim Il-song in firm unity around Comrade Kim Chong-il.

### DPRK: 'Kim Il-song's Complete Works' Vol. 14 Published

SK1504075996 Pyongyang KCNA in English 0553 GMT 15 Apr 96

[FBIS Transcribed Text] Pyongyang, April 15 (KCNA)

— The Workers' Party of Korea Publishing House has brought out "Kim Il-song's Complete Works" Vol. 14 on the occasion of the great leader President Kim Il-song's birth anniversary.

Included there are 66 classic works such as highly important reports, speeches, conclusions, talks, orders, directives and ordinances of President Kim Il-song from July 1951 to April 1952, a historic period of the fatherland liberation war (June 1950-July 1953).

Vol. 14 broadly consummates his outstanding idea and theory, strategic and tactical policies and superb chuchebased war methods to wisely organize and lead all the forces in the front and the rear in this period to decisive battles for the final victory of the war.

In his works President Kim Il-song clarified the tasks and ways to steadily strengthen the combatant power and activities of the People's Army, the policies and ways of strengthening the party organisationally and ideologically and enhancing its militant function and leadership role, the tasks and ways facing the people's power organs, the tasks of conducting a powerful campaign for increased production for victory in the war, the policies of developing science, education, art and public health and the idea of strengthening the international unity and solidarity with the working people and oppressed people all over the world in the struggle for peace, national independence and social progress against the aggression of imperialism.

Systematically put forward in the works are the outstanding idea, theory, policies and strategies and tactics which give scientific answers to the question of promoting the preparations for post-war rehabilitation and construction in a planned way, the question of enhancing the role of officials of interior affairs and prosecution to smash the seditious moves of the hostile elements and consolidate the security of the rear and other theoretical and practical questions arising in the struggle for the final victory in the fatherland liberation war.

# DPRK: Pak Song-chol, KCU Mark Anniversary of Kim Il-song's Birth

SK1504102890 Pyongyang KCNA in English 1014 GMT 15 Apr 96

[FBIS Transcribed Text] Pyongyang, April 15 (KCNA)

— A national joint meeting of the Korean Children's
Union [KCU] was held at the Mangyongdae Revolutionary School today to mark the 84th birth anniversary
of the great leader Generalissimo Kim Il-song.

The school is situated in his hometown, a holy land of revolution.

Present at the meeting were KCU representatives from different provinces and schoolchildren in Pyongyang.

It was also attended by Politburo member of the Workers' Party of Korea [WPK] Central Committee and Vice-President Pak Song-chol, alternate Politburo member and secretary of the WPK Central Committee Choe Tae-pok, other senior party and state officials, anti-Japanese revolutionary veterans, veterans of the fatherland liberation war, parents of schoolchildren and working people in the city.

Graduates of Korean University under the General Association of Korean Residents in Japan on a visit to the socialist homeland and foreigners were invited to the meeting.

A ceremony of the KCU took place at the meeting.

After a signal bugle was blown, open-air limousines carrying flags bearing the portraits of the great leaders President Kim II- song and Comrade Kim Chong-il entered the meeting place when KCU members saluted.

In his report at the meeting, Choe Yong-hae, first secretary of the Central Committee of the Kim Il-song Socialist Youth League, said the respected generalissimo fought bloody battles against Japanese imperialism to regain Korea's independence and devoted his whole life to the happiness of the Korean people and children.

The reporter described the respected General Kim Chong-il as the great sun who gives eternal happiness to the KCU members and guarantees their bright future. He urged the KCU members to venerate the generalissimo as their eternal sun and fully prepare themselves to be

children's guards loyal and devoted to General Kim Chong-il under the torchlight of revolution provided by him.

Children joined the KCU with due ceremony, to be followed by a march-past of KCU members.

# DPRK: Art Performances Held on Birth Anniversary of Kim Il-song

SK1604101096 Pyongyang KCNA in English 0917 GMT 16 Apr 96

[FBIS Transcribed Text] Pyongyang, April 16 (KCNA)

— Central and local art organisations gave performances on April 15, 84th birth anniversary of the great leader President Kim Il-song.

The artistes of the Mansudae Art Troupe began an art performance with the chorus "Song of General Kim Ilsong" at the East Pyongyang Grand Theatre. Put on the stage were the female quartet "We Live in the Bosom of the Leader," the female folksong solo "Only With One Mind" and other art pieces. The performers ardently sang of the greatness of President Kim Ilsong, who accomplished the historic cause of national restoration and established the Korean-style socialism centred on the people.

The artistes of the Pibada Opera Troupe performed the dance suit "Songs of Army and People" at the Pyongyang Grand Theatre.

The acrobats of the Pyongyang Circus delighted the spectators with "Talents With Balls and Badminton," "Flying Girls," "Riding Horse" and other pieces at the Pyongyang Circus Theatre.

Art performances were given at the Hamhung Grand Theatre and other theatres in local areas on the occasion of the significant birthday of President Kim Il-song.

Art performances were also given at parks and recreation grounds in Fyongyang.

# DPRK: UNDP-Assisted Light Industry Project Commissioned 11 Apr

SK1204042296 Pyongyang KCNA in English 0336 GMT 12 Apr 96

[FBIS Transcribed Text] Pyongyang, April 12 (KCNA)

— A project for strengthening the Institute for Garment
Technology of the State Light Industry Commission was
commissioned under the cooperation plan between the
DPRK and the United Nations Development Programme
[UNDP].

The project will contribute to disseminating advanced technology needed in clothing industry, computerized

sample designs and modern processing methods of clothes.

The commissioning ceremony was held on the spot on Thursday [11 April].

Present there were Vice-Chairperson of the State Light Industry Commission Kang Sun-hui and officials concerned and UNDP Resident Representative G. Faruq Achikzad [spelling of name as received] and officials of the mission of the UNDP here.

# DPRK Daily Views 'Collectivist Outlook' on Life Via Chuche Idea

SK1704082796 Pyongyang KCNA in English 0802 GMT 17 Apr 96

["Establishment of Collectivist Outlook on Life By Chuche Idea" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA)

— The establishment of a revolutionary view of life, a collectivist outlook on life by the great leader Comrade Kim Chong-il on the basis of the chuche idea is his extraordinary ideological and theoretical feat, says NODONG SINMUN today.

Outlook on life means view and conception of and stand towards human life.

The daily quotes Comrade Kim Chong-il as saying:

"It is life that is most valuable to a man. In this regard, his socio-political integrity is more valuable than his physical life, and the integrity of a social community is more precious than an individual's integrity."

In a signed article the daily says:

The respected Comrade Kim Chong-il was the first in history to systematize a collectivist outlook on life in an integral way, regarding the establishment of a revolutionary view of life as an important philosophical task.

The collectivist outlook on life, first of all, values the integrity of the socio-political community more than his own life.

The socio-political community is the integrated whole of the leader, the party and the masses.

Apart from the social community, an individual cannot enjoy a life as a social being.

The collectivist outlook on life considers that the integrity of the socio-political community is the parent body of the life of an individual. So, it makes a man place the interests of the community above his own interests and seek the worth of his life and happiness in devoting his all to society and community.

The outlook also holds the socio-political integrity dearer than physical life.

The socio-political integrity is the most valuable for social beings because it is an everlasting life which makes it possible for them to lead a worthwhile life as masters of the world and their own destiny.

The outlook expounded by Comrade Kim Chong-il has become our people's philosophy of life.

# DPRK: Foreign Papers Commemorate Birth Anniversary of Kim Il-song

SK1704090696 Pyongyang KCNA in English 0850 GMT 17 Apr 96

[FBIS Transcribed Text] Pyongyang, April 17 (KCNA)

— Foreign newspapers carried articles on the occasion of the birth anniversary of the great leader President Kim Il-song.

The Russian paper PATRIOT NO. 13 ran an article titled "The Sun Which Rose Over Korea."

The paper said in the article:

All the great changes in the Democratic People's Republic of Korea in the 20th century are attributable to the chuche idea, a powerful ideological foundation.

When he was 18 years old, Comrade Kim Il-song made a present of the chuche theory to humankind.

The theory reflected not only the century-old desire of the Korean people but also the major political trend of the present times.

He left important methodological behests that all the theories must accord with the actual conditions for the present and future revolutionaries, it is better to take an independent view of things, and problems must be solved in a unique way without absolutizing the classics and experience of other countries.

The chuche theory, which brings eternal memory of Comrade Kim II- song, the founder of the chuche idea and the great son of the Korean people, is the sun which gives out light as long as mankind exists, the eternal sun which has risen over Korea.

The Togolese paper LA TRIBUNE, the Yemeni paper AS-RAI AL-AAM, the Zairean paper RANBOUR, the Mongolian paper ARDYN ERKH, the British paper WORKERS WEEKLY and the Bangladeshi papers PENCIL, DAINIK BOR, VANGUARD, SUBUR BANGLA, GONO GONTU and AZUGGEIR GGAGOZU [spelling of newspapers as received] carried articles under the titles "Comrade Kim Il-song,

Founder of the Cause of Chuche-Type Party Building", "For the Human Cause of Independence" and so on.

Bulletins were published on April 1 and 3 by the Ukraine-DPRK Association and the Tanzania-DPRK Priendship Association on the occasion of April 15.

### South Korea

# ROK: U.S.-ROK Proposal, Possible DPRK Reaction Analyzed

SK1704012496 (Internet) The Digital Choson Ilbo WWW in English 1227 GMT 17 Apr 96

[Editorial: "Initiating Four Party Talks"]

[FBIS Transcribed Text] Korea and the US have proposed a four-party peace system for the Korean peninsula. Presidents Kim and Clinton did not warn of North Korea's threatening posture directly, but mentioned it indirectly through the press conference, which can be interpreted as an effort to solve the North-South issues peacefully.

Clearly, America is refusing to enter into direct talks with the North, as can be seen from this Cheju-do summit. Maybe North Korea was expecting a peace treaty with the US when they heightened the war crises at Panmunjum. However, this is beyond consideration as the opinions of policy makers of both South Korea and America and public opinion, as well, are strongly against any concessions.

Therefore, it would be entirely rational for the North to accept the four party talks which seek a solution by those directly involved. China will be eager to participate as these talks are premised on North Korea's survival. As we and America also want to see a soft landing for the North, China, by supporting North Korea, will guarantee the security of the North.

If the North maintains a hard-line isolationist stance while not taking the advice offered by China and the US, it will only increase the burden on North Korea enormously. They must review seriously the potential outcome if they concentrate their resources on military power amidst the critical situation of food and oil shortages. South Korea will not collapse by a single surprise attack from the North.

Once four-party talks are begun they can develop into a 'Four plus Two Talks' with Russia and Japan, or expanded to 'Seven-Party Talks' with the addition of the UN, as proposed by Russia's vice-foreign minister. This will enable the North to gain economic and security advantages from all the participants. If the North refuses this initiative, they will not receive sympathy or support from anyone for a long time to come.

### ROK President To Brief on Outcome of Talks With Clinton

SK1704045196 Seoul YONHAP in English 0214 GMT 17 Apr 96

[FBIS Transcribed Text] Seoul, April 17 (YONHAP)

— President Kim Yong-sam said Wednesday that his talks with U.S. President Bill Clinton on Cheju Island Tuesday demonstrated South Korea's rational stance toward achieving the peaceful unification of Korea.

"The primary significance of the summit talks is found in that they displayed to the world our rational stance on achieving a peaceful unification," the chief executive said over a breakfast he hosted at Chongwadae [presidential offices] for cabinet members including Prime Minister Yi Su-song and senior presidential secretaries including chief of staff Kim Kwang-il.

"The summit conference will be recorded as a historical event, marking a major milestone in the history of our national unification," said President Kim, adding, "South and North Korea will be the key players in the proposed four-party talks."

The United States expects that the quadripartite talks, if they take place, will help improve its sour relationship with China, Kim added.

Kim asked the cabinet and his staff to do their best "to fulfil their heavy national security responsibilities, and operate the national administration with more humility."

Kim is scheduled to have lunch with National Assembly speaker Hwang Nak-chu, Supreme Justice Yun Kwan, Prime Minister Yi and Constitutional Court President Kim Yong-chun Wednesday, to brief them on the outcome of the Cheju summit meeting.

# ROK: Editorial on Kim-Clinton Summit on Cheju Island

SK1704110296 Seoul TONG-A ILBO in Korean 17 Apr 96 p 3

[Editorial: "Internationalization of the Question of the Korean Peninsula"]

[FBIS Translated Text] It seems that the summit talks between ROK President Kim Yong-sam and U.S. President Clinton on 16 April on Cheju Island will have a great effect on the moves to ease tension and to secure a solid peace on the Korean peninsula in the future because the two heads of state have changed their policy toward North Korea.

On that day, the two heads of state jointly proposed that North and South Korea, the United States and China hold the "four-party talks" in an effort to maintain peace on the Korean peninsula. Also they agreed that the United States will not make direct negotiations with North Korea regarding the issue on a peace agreement and will contact North Korea to discuss other pending issues instead.

North Korea has expressed its objection to this proposal. This constitutes an important factor in determining the success of this new way of approach toward North Korea in the future.

The proposal for holding the four-party talks regarding the question of the Korean peninsula is of very significance because it was put forward jointly by the ROK and the United States. It has been proposed in order that through dialogue, North and South Korea, the parties concerned, and the United States and the PRC, the signatories to the Military Armistice Agreement, may resolve various pending issues, including the matter on easing tension and maintaining a durable peace on the Korean peninsula. Besides, the proposal is an inevitable option to bring the DPRK over to the negotiation table; the North has been attempting to incapacitate the current Armistice Agreement while refusing to hold dialogue with South Korea and insisting on dialogue only with the United States.

Regarding the character of the proposed four-party talks, the ROK and the United States stated that North and South Korea will lead the substantial negotiations and that the United States and the PRC will play the role of assisting the talks. In other words, the talks will adopt the "two-plus-two" formula.

However, we feel somewhat unhappy due to the fact that the United States and the PRC have been invited to resolve the question of the Korean peninsula after the two Koreas failed to resolve the question independently with their own national capacity.

At the summit talks, President Clinton repeatedly stressed that the United States will not directly contact North Korea regarding the issue of signing a peace agreement with North Korea. This is only too natural. However, "separating the peace agreement from U.S.-DPRK talks" could expand the discretionary powers of the United States too much in its policy toward North Korea. Accordingly, there is a possibility that the United States will have its own way in negotiating with North Korea.

The peace agreement with North Korea and the improvement of North Korean-U.S. relations are not separate issues. They are like the fore and the back of a coin.

Among other things, the Clinton administration appears to be accelerating the improvement of relations with North Korea, feeling conscious of this year's U.S. presidential elections. U.S.-DPRK talks should be held simultaneously in keeping in step with the progress in North-South dialogue. This way is more effective.

Although the Geneva nuclear agreement was signed in 1994, no progress has been made either in inter-Korean relations or in U.S.- DPRK relations. This is because the United States hastily held negotiations with North Korea on the threshold of the congressional elections.

Russia's attitude toward the question of the Korean peninsula is another focus of our attention. Russia has put forward a multilateral talks following the "two-plus-four" formula, in which Russia and Japan participate. Accordingly, there is a high possibility that Russia will hinder the four-party talks directly or indirectly and that North Korea will take advantage of the PRC and Russia.

North Korea should come to the negotiation table. It should know that this way is the only way to escape its isolated position in international society and to resolve its economic difficulties and food crisis.

# ROK: DPRK Urged To Accept 'Four-Party Talks' Proposal

SK1704103796

[FBIS Report] The following is a compilation of editorials from ROK vernacular newspapers published on 17 April regarding the ROK-U.S. proposal for four-party talks on issues related to the Korean peninsula.

The moderate CHUNGANG ILBO on page 6 carries a 1,500-word editorial entitled "We Expect a Sincere Response From North Korea." The editorial begins by saying: "The ball is now in North Korea's court." It then adds: "We do not want to consider the rejection of the four-party talks by Son Song-pil, North Korea's ambassador to Russia, as the official response from North Korea. Considering Ambassador Son's remarks as merely an initial reaction, we expect North Korea will take time to sincerely examine the proposal instead of viewing it from the stereotypical perspective of North-South confrontation." Explaining the background and need for the "epochal proposal" for four-party talks, the editorial urges North Korea to correctly view the reality and accept the proposal which "the PRC and many other neighboring countries assess positively."

The conservative CHOSON ILBO carries on page 3 an 800-word editorial entitled "North Korea Must Accede to Four-Party Talks." The editorial notes the four-party talks are "the most reasonable method that saves face for North Korea" and that "presupposes the survival of North Korea." The editorial expects the PRC will play an active role in the talks, "standing on North

Korea's side." It then mentions the probability that the four-party talks may develop into "four-plus-two talks" along with Russia and Japan, or into "seven-party talks" with the addition of the United Nations. The editorial hopes Russia's role in this issue will soon be expanded to "guarantee more support to North Korea both in security and economics," expressing concern about the possibility that no progress will be made in settling the situation due to Moscow's absence from the multi-party talks.

The moderate HANGUK ILBO carries on page 3 a 700-word editorial entitled "Significance of the Proposal for Four-Party Talks." The editorial stresses: "This proposal is quite significant, particularly because it will enable us to seek a new peace mechanism that will replace the Armistice Agreement signed in 1953." It continues by saying: "It is also a strong warning against North Korea's announcement to abandon the Armistice Agreement and its armed provocations." The editorial notes that the proposal means delivering to North Korea "both a warning and a call for reconciliation." While acclaiming the government's initiative in the four-party talks, the editorial stresses the need for the government to "clearly convey to the United States and North Korea its position that "the ROK may meddle in the North Korea-U.S. negotiations whenever these negotiations are believed to be directly connected to our security and peace."

The moderate KYONGHYANG SINMUN carries on page 3 a 700-word editorial entitled "Four-Party Talks Are the Last Card." The editorial says that "in light of its previous position, the ROK made a great concession to the proposal" which "is expected to serve as a new momentum in finding a way out of the deadlock of inter-Korean relations." It continues by saying: "North Korea must realize that four-party talks are the only method which enables North Korea to hold a dialogue with the United States on issues concerning the Korean peninsula."

The pro-government SEOUL SINMUN carries on page 3 a 1,000-word editorial entitled "Joint Proposal by the ROK and U.S. Presidents Is for a Major Change in the Situation." The editorial begins by stressing: "The proposal for four-party talks has historic significance, showing the will to put an end to the Cold War era in this region and effect major changes in the situation." It describes the proposal as "a quite active measure for easing tensions and building a peace mechanism on the Korean peninsula." After mentioning the "special relations between the ROK and the United States, which have developed over the past half century," the editorial says: "It was useful for maintaining peace in Northeast Asia for the U.S. President to visit the ROK to reconfirm

the U.S. commitment as a Pacific power at a time when the situation in this region has become extremely unstable." The editorial repeatedly urges North Korea to accept this proposal, stressing that the acceptance of the proposed four-party talks is "the best choice North Korea can make at present."

The moderate MUNHWA ILBO carries on page 9 a 700-word editorial entitled "Accept the Four-Party Talks." The editorial hopes North Korea will "prudently and reasonably study the South's proposal as well as listen to the advice of neighboring countries, and will show a positive attitude for the nation." The editorial stresses that "security on the Korean peninsula can be guaranteed not only by security in South and North Korea, but by security in the entire Northeast Asia," adding: "We believe the four-party talks are the way to peace, and ultimately, to reunification."

# ROK: Editorial Urges DPRK To Accept 'Four-Party Talks'

SK1704074996 Seoul HANGYORE SINMUN in Korean 17 Apr 96 p 3

[Editorial: "North Korea Must Accept 'Four-Party Talks'"]

[FBiS Translated Text] President Kim Yong-sam and U.S. President Clinton held summit talks on Cheju Island and proposed four-party talks involving North and South Korea, the United States, and China to establish a permanent peace mechanism on the Korean peninsula. If North Korea reacts positively to the proposal for holding four-party talks to promote peace on the Korean peninsula," contained in the ROK-U.S. joint announcement, we will be able to have a very precious opportunity to secure a permanent peace on the Korean peninsula. North Korea, which has demanded the signing of a peace agreement with the United States and persistently sought to break up the armistice system. may have difficulties making a decision. However, because it has positively sought to replace the Armistice Agreement with a peace agreement, we think it has no pretext to reject this proposal, if the United States, with which it has sought to sign a peace agreement, attends the four-party talks.

There are signs that in advancing this proposal, the ROK and the United States have taken North Korea into account in many respects to ensure that North Korea accepts the proposal. One example is that the two countries stated that there are no preconditions for the talks. Another example is that the two countries, which are allies, have invited China, which has assisted North Korea in many respects in international society, to the talks. The United States has reportedly been preparing

to further ease its sanctions against North Korea on the premise that North Korea would accept the proposal. The ROK Government, as well, has reportedly been examining making overtures to North Korea, including food assistance, in the belief that an atmosphere will be promoted for those overtures.

We know very well that economic gains would not lead North Korea to accept this proposal. However, we expect that North Korea will fully realize, though belatedly, how unrealistic it is to insist on holding negotiations with the United States without the participation of the ROK and how much it suffered in international society due to the unreasonable actions it had taken based on its insistence. North Korea must abandon its previous wrongful insistence; sees the reality cool-headedly; and acknowledge that the four-party talks are the most realistic proposal, if it truly hopes to ensure a stable peace on the Korean peninsula as it has always stated it does.

We believe a peace mechanism on the Korean peninsula must be established by the joint efforts of North and South Korea, as mentioned in the North-South basic agreement. However, we believe that the four-party talks are the best plan that North Korea can accept because it has insisted on holding negotiations with the United States. China has already expressed its intention to participate in the four-party talks if they are held to discuss a peace mechanism on the Korean peninsula, saying that North Korea's deployment of armed soldiers in Panmunjom was inappropriate. We expect that the four-party talks will be held and that, as a result, there will come an opportunity to secure peace on the Korean peninsula.

# ROK: MOTIE Delegation To Visit U.S., Europe in Oct, Nov

SK1704090196 Seoul YONHAP in English 0611 GMT 17 Apr 96

(FBIS Transcribed Text) Seoul, April 17 (YONHAP)

— A 50-member contingent of government and private sector representatives will visit the United States in October and Europe in November to stimulate foreign investment, the Ministry of Trade, Industry and Energy [MOTIE] said Wednesday.

It will be the first time local government officials and businessmen have teamed up, a ministry official said.

Electronic and machinery audio firms in particular will be represented by the investment mission, the official said.

Officials from the Finance-Economy and Labor Ministries will also join the delegation to help achieve its goals, he added. Five contracts were signed by Korean and Japanese companies last year after a public-private group visited Japan.

# ROK: LG Insurance Company To Expand to India, Sri Lanka

SK1704085496 Seoul YONHAP in English 0815 GMT 17 Apr 96

[FBIS Transcribed Text] Seoul, April 17 (YONHAP) — LG Insurance Co. will be the first Korean insurer to do business in Sri Lanka and India, the company announced Wednesday.

The insurance affiliate of the LG Group, one of the largest Korean conglomerates, said it signed an agreement Tuesday with New India Assurance Co., Ltd. of India and Sri Lanka's Ceylinco Insurance Co., Ltd.

Contents of the agreement include cooperation in serving clients with insurance, risk management and risk assessment through mutual assistance and exchange of each party's capacity in reinsurance cover.

LG Insurance will take advantage of the business agreement tie-up to bolster its marketing and business operations in the southwest Asian regions where operations by Korean businesses have recently become noticeable.

New India Assurance is India's unrivaled non-life insurance company with about 800 offices and 24,000 employees, while Ceylinco is Sri Lanka's largest insurance company with both life and non-life divisions.

# ROK: OECD Secretary General-Designate To Visit ROK in Apr

SK1704084996 Seoul YONHAP in English 0651 GMT 17 Apr 96

[FBIS Transcribed Text] Seoul, April 17 (YONHAP) — Secretary General-designate Donald Johnston of the Organization for Economic Cooperation and Development (OECD) will visit Seoul Sunday [21 April] at the invitation of Foreign Minister Kong No-myong to discuss matters concerning Seoul's admission to the group of rich countries, Foreign Ministry Spokesman So Taewon said Wednesday.

Johnston is going to be in Seoul until Tuesday and will pay a courtesy call on President Kim Yong-sam and meet with Foreign Minister Kong.

Johnston will also meet with the minister of Finance and Economy and Trade and Industry and Energy and Environment.

He will give a speech Tuesday morning at a breakfast meeting at the Lotte Hotel. The Canadian parliamentarian will start his five-year term as the head of the OECD June 1 this year.

Legal Counsel Christian Schricke, head of the legal directorate of the OECD, will accompany the secretary general-designate.

# ROK: Open Bond Market To Depend on Foreign Interest Rate Gap

SK1504022796 Seoul YONHAP in English 0108 GMT 15 Apr 96

[FBIS Transcribed Text] Seoul, April 15 (YONHAP) — South Korea is going to gradually open its bond market to foreign investors, Finance and Economy Minister Na Ung-pae said Monday.

Addressing a meeting of approximately 80 individuals from 13 Asian and Oceanian securities business communities, including China, Japan and Singapore at the Hotel Shilla, the chief economic policymaker explained that the width of the bond market opening depends on how narrow the gap between domestic and international interest rates becomes.

The government will continue to open the stock market in accordance with the changing economic situation, he added.

This coming December, foreign investment and trust companies in South Korea will be allowed to do business as part of the government's capital market liberalization plan, Na said.

The over-the-counter market system will be expanded so that small and medium-sized businesses have a greater opportunity to raise funds on the market.

Accounting systems and the debt rating services will also be brought up to international standards so that investors will be able to minimize securities market risks.

The second Asian Securities Forum will conclude Tuesday.

# ROK: Foreign Investment in Industry Rising 'Sharply'

SK1704024296 Seoul YONHAP in English 0102 GMT 17 Apr 96

[FBIS Transcribed Text] Seoul, April 17 (YONHAP) — Encouraged by the recent market opening, direct foreign investment in the South Korean industry is increasing sharply.

Foreign investment in the first two months of the year amounted to a total of 306.9 million U.S. dollars for 108 projects, up 50.9 percent from the 203.4 million dollars

for 59 projects registered a year earlier, according to the finance and economy ministry.

Investment of below 100,000 dollars totaled 4.36 million dollars for 56 projects, up 163 percent in value and 167 percent in number of projects from 1.66 million dollars for 21 projects a year earlier.

The sharp increase in small investments was attributed to the expanded market opening in January for 88 business lines, including farming, manufacturing, mining, wholesale-retail, hotel, construction, food and beverage, transport and warehouse, telecommunications, insurance, securities and real-estate development.

Investments of more than 100,000 dollars in the twomonth period rose 49.9 percent in value and 36.8 percent in number of projects from the previous year, the ministry said.

The simplified foreign investment procedure enacted last April was also given credit for increasing direct foreign investment.

The conspicuous rise in investments in such small businesses as foreign trade, retail and distribution is also worth noting.

# ROK: Lawmaker-Elect Suspected of Violating Election Law

SK1704054696 Seoul YONHAP in English 0112 GMT 17 Apr 96

[FBIS Transcribed Text] Seoul, April 17 (YONHAP) — The prosecution has begun investigating allegations that lawmaker-elect Cho Chong-sok of the United Liberal Democrats (Yesan, South Chongchong) violated the election law.

The supreme public prosecutor's office said that Cho is suspected of giving about 20 million won to voters to buy votes during the campaign period leading up to the April 11 general elections.

The Hongsong branch of the Taejon District prosecutor's office plans to summon Cho sometime this week.

The prosecution announced last weekend that it is investigating alleged election law violations involving 97 lawmakers-elect, about 32.4 percent of the total 299 lawmakers elected.

# ROK: Authorities To Probe 'All' Alleged Law Violations

SK1704054796 Seoul YONHAP in English 0246 GMT 17 Apr 96

[FBIS Transcribed Text] Seoul, April 17 (YONHAP)

— Secretary-general Kang Sam-chae of the ruling

New Korea Party (NKP) said Wednesday that law enforcement authorities will conduct a thorough probe of all alleged election law violations, as instructed by President Kim Yong-sam.

Those who are found to have recently violated election laws will be dealt with according to the law, and there will be no exceptions, even if they are ruling party members, he told reporters.

Commenting on opposition parties' description of the recent general elections as "rigged," the ruling party leader said, "They are just practising the old-fashioned methods of glossing over their mistakes."

If they have evidence of election rigging, they should present it to the public, he stressed.

The NKP is reviewing the complaints filed by the prosecution and the election management commissions against its members, he added.

Asked about a newspaper report that No Ki-tae, who carried a district in South Kyongsang on the NKP ticket in the recent election, bought votes in violation of the election law, Kang said that he did not take it as a problem as No himself is flatly denying it.

Touching on the allegation that former Ssangyong group chairman Kim Sok-won, who also won the election in a Taegu District on the NKP ticket, was involved in former President Chon Tu-hwan's violation of the real-name financial transactions regulations, Kang said he was yet to have detailed information on that matter.

# ROK: Poll Forecast Errors Due to Lack of Randomness, Frankness

SK1204143996 Seoul YONHAP in English 1215 GMT 12 Apr 96

["Three Major Televisions To Face Sanctions for Erroneous Reports" — YONHAP headline]

[FBIS Transcribed Text] Seoul, April 12 (YONHAP)

— Three major television networks are expected to be sanctioned for the big errors they made in forecasting winners in Thursday's general elections.

The Korea broadcasters association had an unscheduled meeting Thursday afternoon to discuss the issue.

An association official said the meeting decided to determine the level of sanctions to mete out after obtaining the televisions' statements regarding the errors on the afternoon of next Wednesday.

The three televisions — KBS, MBC and SBS — have come under public fire for making a highly erroneous election prediction seconds after the voting was closed at 6 pm Thursday.

The prediction said the ruling New Korea Party would win 155 seats, National Congress for New Politics 59, United Liberal Democrats 26, Democratic Party five and Independents eight in local districts alone not counting those to be elected under the national representation system.

The actual outcome, however, were 121, 66, 41, nine and 16 in that order.

Poll takers said the marginal error was plus and minus 4.3 percent. "Even given the marginal error, this election prediction was absurd," the official said.

The television forecast was based on telephone interviews held by the three televisions jointly with five leading opinion survey firms — Tongso Research, Media Research, World Research, Korea Research and Korea Gallup.

Five hundred persons were interviewed over the phone in each of the 253 electoral districts on the election day and two preceding days, an official of one of the participating poll companies said.

In addition to the wrong numbers of winners by party, the forecast gave wrong persons as "winners" in no fewer than 39 electoral districts.

"I think one major reason for the big errors was that poll takers did not take into account the fact that many people, especially those who support opposition, tend to be less frank about their choice in elections," a political observer said.

Besides, he said, poll takers chose pollees at random from telephone directories without paying due attention to such variables as age groups, educational background and hometowns of would-be respondents.

# ROK: Citizens' Group Urges TV Election Forecast Apology

SK1704055096 Seoul THE KOREA HERALD in English 17 Apr 96 p 7

(By staff reporter Kim Hu-ran)

[FBIS Transcribed Text] In the aftermath of the television election broadcasting disaster April 11 in which the winners in 39 districts out of a total of 253 were erroneously predicted, a civic group is calling for KBS, MBC and SBS to air apologies on the hasty broadcast of predicted winners of the general elections.

The Citizens' Coalition for Media Watch, a civic group claiming 5,000 members, issued a statement calling for the three broadcasting companies to air public apologies for engaging in a ratings battle, exploiting the elections.

It also called on the broadcasters to reveal their survey sample, procedure for selecting the respondents and data to support their claim of a sample error of plus or minus 4.3 percent.

The group condemned the war of words exchanged among the three networks on the exit polls attempted by MBC.

A public discussion is scheduled for today with participation by public opinion research firms, broadcasting officials, members of the Broadcasting Committee and one of the candidates who had been wrongly predicted as a winner, said Kim Chin-man of the Citizens' Coalition for Media Watch.

The public row started at 6 p.m. April 11 when the three television broadcasting companies started announcing the predicted winners based on a series of three telephone surveys by a consortium of five public opinion research firms, before the ballot boxes had been opened.

As the votes were tallied, some of the predictions proved wrong. When all the votes had been counted, the predicted winners in 39 electoral districts were found to have been defeated. A total of 253 seats were contested in this year's general elections.

The Korean Broadcasting Commission's Special Review Committee on Election Broadcast met Friday and discussed the problem. It later commented that the sampling error of plus or minus 4.3 percent is meaningless in closely fought races and only caused confusion among the viewers.

The committee took issue with the fact that the broadcasters announced the predicted winners even in closely fought districts where the difference in the percentage of votes earned by the winner and the runner-up was equal to or less than 8.6 percent.

It also found instances of interviews with the "winning candidate" in the early stage of the ballot count, before victory could be ascertained.

As the election predictions were being proven wrong, MBC justified its exit polls, claiming that they would have yielded a lower percentage of error and more accurate predictions.

MBC conducted exit polls at about 20 polling stations from 6 a.m. until 11:30 a.m. when they were halted upon strong protests by KBS and SBS.

MBC also agreed not to air the results of the exit polls.

KBS, MBC and SBS had signed an agreement at the end of January not to conduct independent exit polls, claiming the election law which prohibits exit polls from taking place within 500 meters of a polling station unrealistic.

Instead, each of the three broadcasting companies invested about 500 million won in commissioning five public opinion research companies to conduct telephone polls.

# ROK: List of Lawmakers Elected in 11 Apr Polls SK1304142496 Seoul THE KOREA TIMES in English

[List of lawmakers elected in 11 April polls]

[FBIS Transcribed Text]

13 Apr 96 p 2

#### Seau

- Yi Myong-pak, 54, incumbent Rep., NKP [New Korea Party] (Chongno)
- Pak Song-pom, 55, TV anchorman; NKP (Chunggu)
- So Chong-hwa, 63, incumbent Rep., NKP (Yongsan)
- · Yi Se-ki, 59, incumbent Rep., NKP (Songdong)
- Kim Hak-won, 48, lawyer, NKP (Songdong)
- Kim Sang-u. 41, party officer, NCNP [National Congress for New
- Politics] (Kwangjin)
- Chu Mi-ae, 37, lawyer, NCNP (Kwangjin) (F)
   Ifemalel
- No Sung-u, 57, professor, NKP (Tongdaemun)
- Kim Yong-ku, 56, incumbent Rep, NKP (Tongdaemun)
- · Yi Sang-su, 49, lawyer, NCNP (Chungnyang)
- Kim Chung-il, 50, party officer NKP (Chungnyang)
- Yu Chae-kon, 58, vice pres. of NCNP (Songbuk)
- Kang Song-chae, 57, party officer, NKP (Songbuk)
- Kim Won-kil, 53, incumbent Rep., NCNP (Kangbuk)
- Cho Sun-hyong, 6l, incumbent, NCNP (Kangbuk)
- Kim Kun-tae, 49, vice pres. of NCNP (Tobong)
- · Sol Hun, 42, party officer, NCNP (Tobong)
- Paek Nam-chi, 52, incumbent Rep., NKP (Nowon)
- Yim Chae-chong, 54, incumbent Rep., NCNP (Nowon)
- Son Se-il, 60, incumbent Rep., NCNP (Unpyong)
- · Yi Chae-o, 51, activist, NKP (Unpyong)
- Kim Sang-hyon, 60, incumbent Rep., NCNP (Sodaemun)
- Chang Chae-sik, 61, incumbent Rep., NCNP (Sodaemun)
- Pak Myong-hwan, 57, incumbent Rep., NKP (Mapo)
- Pak Chu-chon, 53, incumbent Rep., NKP (Mapo)

- Pak Pom-chin, 56, incumbent Rep., NKP (Yang-chon)
- Kim Yong-pae, 63, incumbent Rep., NCNP (Yangchon)
- Sin Ki-nam, 43, lawyer, NCNP (Kangso)
- · Yi Sin-pom, 46, party officer, NKP (Kangso)
- Chong Han-yong, 41, TV actor, NCNP (Kuro)
- · Yi Sin-haeng, 51, activist, NKP (Kuro)
- · Yi U-chae, 59, activist, NKP (Kumchon)
- Kim Myong-sop, 57, part officer, NKP (Yong-dungpo)
- Kim Min-sok, 31, activist, NCNP (Yongdungpo)
- So Chong-won, 53, incumbent, NKP (Tongjak)
- · Yu Yong-tae, 57, accountant, NKP (Tongjak)
- Yi Sang-hyon, 50, businessman, NKP (Kwanak)
- · Yi Hae-chan, 43, ex-lawmaker, NCNP (Kwanak)
- Choe Pyong-yol, 57, ex-Seoul mayor, NKP (Socho)
- · Kim Tok-yong, 55, incumbent Rep., NKP (Socho)
- So Sang-mok,48, incumbent Rep., NKP (Kang-nam)
- · Hong Sa-tok, 53, incumbent Rep., Ind. (Kangnam)
- Hong Chun-pyo, 41, lawyer, NKP (Songpa)
- Maeng Hyong-kyu, TV anchorman, NKP (Songpa)
- Kim Pyong-tae, 58, businessman, NCNP (Songpa)
- Yi Pu-yong, 53, ex-lawmaker, DP [Democratic Party] (Kangdong)
- Kim Chung-wi, 56, incumbent Rep., NKP (Kangdong)

# Pusan

- Chong Tae-hwa, 48, physician, NKP (Chung-tong)
- · Hong In-kil, 53, presidential aide, NKP (So-ku)
- Kim Hyong-o,49, incumbent Rep., NKP (Yongdo-ku)
- Chong Che-mun,60, incumbent Rep., NKP (Pusanjin)
- Kim Chong-su, 58, incumbent Rep., NKP (Pusanjin)
- Pak Kwan-yong, 59, ex-lawmaker, NKP (Tongnae)
- Kang Kyong-sik, 60, incumbent Rep., NKP (Tongnae)
- Yi Sang-hui, 58, ex-muuster, NKP (Nam-ku)
- Kim Mu-song, 45, ex-vice minister, NKP (Nam-ku)
- Chong Hyong-kun, 50, incumbent Rep., NKP (Kangso)
- Han I-hon, 52, ex-presidential aide, NKP (Kangso)
- Kim Un-hwan, 50, incumbent Rep., NKP (Haeun-dae)
- Kim Ki-chae, 50, ex-minister, NKP (Haeundae)
- So Sok-chae, 61. ex-lawmaker, NKP (Saha)
- Pak Chong-ung,43, incumbent Rep., NKP (Saha)

- Kim Chin-chae, 53, incumbent Rep., NKP (Kumjong)
- · Kim To-on, 56, prosecutor, NKP (Kumjong)
- · Choe Hyong-u, 61, incumbent Rep., NKP (Yonje)
- Yu Hung-su, 58, incumbent Rep., NKP (Suyong)
- Kwon Chol-hyon,49, professor, NKP (Sasang)
- · Sin Sang-u, 59, incumbent Rep., NKP (Sasang)

# Taegu

- Pak Chun-kyu, 70, ex-speaker, ULD (Chung-ku)
- Kim Pok-tong, 63, Ret. Army Cen., ULD (Tong-ku)
- · So Hun, 54, incumbent Rep., Ind. (Tong-ku)
- · Pack Sung-hong, 52, politician, Ind. (So-ku)
- Kang Chae-sop, 48, incumbent Rep., NKP (So-ku)
- · Yi Chong-mu, 55, ex-lawmaker, ULD (Nam-ku)
- Yi Ui-ik, 55, ex-Taegu mayor, ULD (Puk-ku)
- An Taek-su, 52, exjournalist, ULD (Puk-ku)
- Pak Chol-on, 53, ex-lawmaker, ULD (Susong)
- Pak Ku-il, 60, ex-lawmaker, ULD (SuSong)
- Pak Chag-kun, ex-official, ULD (Talso)
- Yi Hee-pong, 53, ex-Taegu mayor, Ind. (Talso)
- Kim Sok-won, 50, businessman, NKP (Talsong)

#### Inchon

- · So Chong-hwa, 56, incumbent, NKP (Chung)
- Sim Chong-ku, 64, incumbent Rep., NKP (Nam-ku)
- · Yi Kang-hui, 53, ex-lawmaker, NKP (Nam-ku)
- · So Han-sem, 52, instructor, NKP (Yonsu)
- · Yi Yun-song, 51, TV anchorman, NKP (Namdong)
- Yi Won-pok, 38, party officer, NKP (Namdong)
- Cho Chin-hyong, 53, incumbent Rep., NKP (Pupyong)
- Yi Che-myong, 48, incumbent Rep., NKP (Pupyong)
- Yi Ki-mun, 43, lawyer, NCNP (Kanghwa)
- Yi Kyong-chae, 54, ex-vice minister, NKP (Kanghwa)
- Cho Chol-ku, 58, physician, NCNP (So-ku)

# Kwangju

- Sin Ki-ha, 55, incumbent Rep., NCNP (Tong-ku)
- Chong Tong-chae, 45, party officer, NCNP (So-ku)
- Yim Pok-chin, 58, incumbent Rep., NCNP (Nam-ku)
- · Pak Kwang-tae, incumbent Rep., NCNP (Puk-ku)
- · Yi Kil-chae, 55, incumbent Rep., NCNP (Puk-ku)
- Cho Hong-kyu, 52, NCNP (Kwangsan)

### Taejon

- · Kim Chil-hwan, 44, party officer, ULD (Tong-ku)
- · Yi Yang-hui, 50, ex-vice minister, ULD (Tong-ku)
- Kang Chang-hui, 49. incumbent Rep.. ULD (Chung-ku)
- · Yi Won-hyong, 56, ex-lawmaker, ULD (So-ku)
- · Yi Chae-son, 39, party officer, ULD (So-ku)
- Cho Yong-chae, 54, ex-gov't official, ULD (Yu-song)
- Yi In-ku, 63, ex-lawmaker, ULD (Taedok)

# Kyongwi-to

- · Yi Pyong-hui, 7!, ex-lawmaker, ULD (Suwon)
- Kim In-yong, incumbent Rep., NKP (Suwon)
- · Nam Pyong-u, 59, incumbent Rep., NKP (Suwon)
- Yi Yan-su, 57, incumbent Rep., NCNP (Songnam)
- · Cho Song-chun, 47, activist, NCNP (Songnam)
- Cho Se-ung, 62, incumbent lawmaker, NKP (Songnam)
- · Hong Mun-chong, 41, professor, NKP (Uijongbu)
- · Kwon Su-chang, 53, party officer, ULD (Anyang)
- · Choe Hui-chun, 59, singer, NCNP (Anyang)
- Yi Sok-hyon, 45, incumbent Rep, NCNP (Anyang)
- · An Tong-son, 60, incumbent Rep. NCNP (Puchon)
- · Yi Sa-chol, 43, lawyer, NKP (Puchon)
- · Kim Mun-su, 44, labor activist, NKP (Puchon)
- Choe Son-yong, 55, city councilor, NCNP (Puchon)
- Namkung Chin, 53, ex-lawmaker, NCNP (Kwangmyong)
- Son Hak-kyu, 48, incumbent Rep, NKP (Kwangmyong)
- Won Yu-chol, 33, provincial councilor, Ind. (Py-ongtack)
- · Ho Nam-hun, 59, ex-minister, ULD (Pyongtack)
- Mok Yo-sang, 60, ex-lawmaker, NKP (Tongduchon)
- · Kim Yong-hwan, 40, dentist, NCNP (Ansan)
- · Chon Chong-pae, 41, lawyer, NCNP (Ansan)
- Yi Kuk-hon, 59, lawyer, NKP (Koyang)
- Yi Taek-sok, 61, incumbent lawmaker, NKP (Koyang)
- An Sang-su, 50, lawyer, NKP (Kwachon)
- · Chon Yong-won, 51, ex-lawmaker, NKP (kuri)
- · Yi Song-ho, 57, incumbent Rep., NKP (Yangju)
- Pak Sin-won, 51, provincial councilor, ULD (Osan)
- Che Chong-ku, 52, incumbent lawmaker, DP (Sihung)
- Yu Son-ho, 42, lawyer, NCNP (Kunpo)
- Chong Yong-hun, 63, incumbent Rep., NKP (Hanam)
- · Yi Kyu-taek, 53, incumbent Rep., DP (Yoju)
- · Yi Che-chang, 53, ex-vice minister, ULD (Paju)

- · Yi Han-tong, 61, incumbent Rep., NKP (Pochon)
- Kim Kil-hwan, 51, presidenhal aide, NKP (Yangpyong)
- · Hwang Kyu-son, 58, dentist, DP (Ichon)
- Yi Ung-hui, 65, incumbent Rep., NKP (Yongin)
- Yi Hae-ku, 58, incumbent Rep., NKP (Ansong)
- · Pak Chong-u, 57, ex-Inchon mayor, Ind. (Kimpo)

# Kangwon-to

- · Han Sung-su, 59, ex-lawmaker, NKP (Chunchon)
- Yu Chong-su, 53, incumbent Rep., ULD (Chunchon)
- · Ham Chong-han, 52, ex-lawmaker, NKP (Wonju)
- · Kim Yong-chin, 56, incumbent Rep. NKP (Wonju)
- Hwang Hak-su, 48, businessman, ULD (Kangnung)
- · Choe Uk-chol,43, incumbent Rep., DP (Kangnung)
- · Choe Yon-hui, 51, lawyer, NKP (Tonghae)
- Pak U-pyong, 63, incumbent Rep., NKP (Taebaek)
- Song Hun-sok, 45, lawyer, NKP (Sokcho)
- · Chang Ul-pyong, 62, party chief, DP (Samchok)
- · Yi Ung-son, 61, ex-lawmaker, NKP (Hongchon)
- Kim Ki-su, 59, incumbent Rep., NKP (Yongwol)
- Yi Yong-sam, 38, incumbent Rep., NKP (Chorwon)

#### Chungchongpuk-to

- · Ku Chon-so, 46, ex-lawmaker, ULD (Chongju)
- O Yong-un, 69, ex-lawmaker, ULD (Chongju)
- Kim Son-kil, 62, ex-vice minister, ULD (Chungju)
- Kim Yong-chun, 54, lawyer, Ind. (Chechon, Tanyang)
- Sin Kyong-sik, 57, incumbent Rep. NKP (Chongwon)
- · O Chun-son, 58, businessman, ULD (Poun)
- Chong U-ta: 43, ex-official, ULD (Chinchon)
- Kim Chong-ho, 60, incumbent Rep. NKP (Koesan)

### Chungchongnam-to

- Chong Il-yong, 52, ex-lawmaker, ULD (Chonan)
- Ham Sok-chae, 57, incumbent Rep., ULD (Chonan)
- Chong Sok-mo, 67, incumbent Rep., ULD (Kong in)
- Kim Yong-hwan, 64, incumbent Rep., ULD (Poryone)
- · Yi Sang-man, 57, ex-official. ULD (Asan)
- Pyon Ung-chon, 55, TV MC, ULD (Sosan, Taean)
- Kim Pom-myong, 52, incumbent Rep., ULD (Non-san)
- Kim Ko-song, 54, ex-province councilor, ULD (Yongi)

- · Kim Chong-pil, 70, party president, UlD (Puyo)
- · Yi Kung-kyu, 54, incumbent Rep., ULD (Sochon)
- Yi Wan-ku, 45, ex-police officer, NKP (Chongyang)
- Cho Chong-sok, 64, ex-police officer, ULD (Yesan)
- Kim Hyon-uk, 57, ex-lawmaker, ULD (Tangjin)

# Chollapuk-to

- Chang Yong-tal, 51, incumbent Rep., NCNP (Chonju)
- Chong Tong-yong, 42, TV anchor, NCNP (Chonju)
- Chae Yong-sok, 61, incumbent Rep., NCNP (Kunsan)
- · Kang Hyon-uk, 58, ex-minister, NKP (Kunsan)
- Choe Chae-sung, 50, incumbent Rep., NCNP (Ik-san)
- Yi Hyop, 54, incumbent Rep., NCNP (Iksan)
- Yun Chol-sang, 43, party official, NCNP (Chongup)
- Cho Chan-hyong, 57, ex-lawmaker, NCNP (Namwon)
- · Chang Song-won, 56, journalist, NCNP (Kimje)
- Kim Tae-sik, 56, incumbent Rep., NCNP (Wanju)
- Chong Se-kyun, 45, businessman, NCNP (Chinan)
- · Pak Chong-hun, 54, ex-lawmaker, NCNP (Imsil)
- Chong Kyun-hwan, 53, incumbent, NCNP (Kochang)
- Kim Chin-pae, 62, ex-lawmaker, NCNP (Puan)

#### Chollanam-to

- Kim Hong-il, 50, chapter chief, NCNP (Mokpo, Sinan)
- Han Hwa-kap, 57, incumbent Rep., NCNP (Mokpo)
- Kim Chung-cho, 53, incumbent Rep., NCNP (Yosu)
- Kim Kyong-chae, 53, chapter chief, NCNP (Sunchon)
- Cho Sun-sung, 67, incumbent Rep., NCNP (Sunchon)
- · Chong Ho-son, 53, professor, NCNP (Naju)
- Kim Song-kon, 43. professor, NCNP (Yochon)
- Kim Myong-kyu, 54, incumbent, NCNP (Kwangyang)
- Kuk Chang-kun, 57, ex-councilor, NCNP (Tamyang)
- Yang Song-chol, 56, professor, NCNP, (Koksong, Kurye)
- Pak Sang-chon, 57, incumbent Rep., (Kohung)

- Pak Chan-chu, 48, lawyer, NCNP (Posong, Hwasun)
- Kim Ok-tu, 57, incumbent Rep., NCNP (Changhung)
- Kim Yong-chin, 48, incumbent Rep. NCNP (Kangiin)
- Kim Pong-ho, 62, incumbent Rep. NCNP (Haenam)
- Pae Chong-mu, 66, university president, NCNP (Muan)
- Kim In-kon, 67, incumbent Rep., NCNP (Hampyong)

# Kyongsangpuk-to

- · Ho Hwa-pyong, 58, incumbent Rep., Ind. (Pohang)
- Yi Sang-tuk, 60, incumbent Rep., NKP (Pohang)
- Kim Il-yun, 57, ex-lawmaker, Ind. (Kyongju)
- Yim Chin-chul, 54, party officer, Ind. (Kyongju)
   (F)
- Yim In-pae, ex-investigator ... KP (Kimchon)
- Kwon O-ul, provincial councilor, DP (Andong)
- · Kwon Chong-tal, ex-lawmaker, Ind. (Andong)
- Pak Se-chik, 62, incumbent Rep., NKP (Kumi)
- · Kim Yun-hwan, 63, incumbent Rep., NKP (Kumi)
- · Pak Si-kyun, 58, physician, Ind. (Yongju)
- · Pak Hon-ki, 60, incumbent Rep., NKP (Yongchon)
- Yi Sang-pae, 56, ex-Seoul mayor, NKP (Sangju)
- Hwang Pyong-tae, 61, ex-ambassodor, NKP (Munkyong)
- Kim Chong-hak, 55, NA official, ULD (Kyongsan)
- · Chu Chin-u, 46. businessman, NKP (Koryong)
- Chang Yong-chol, 59, incumbent Rep., NKP (Kunwi)
- Kim Hwa-nam, 53, ex-police chief, ULD (Uisong)
- Kim Chan-u, 63, incumbent Rep., NKP (Chong-song)
- Kim Kwang-won, 55, ex-vice governor, NKP (Yongyang)

### Kyongsangnam-to

- Kim Chong-ha, 62, incumbent Rep., NKP (Changwon)
- Hwang Nak-chu, 68, incumbent Rep., NKP (Changwon)
- · Kim Tae-ho, 61, ex-lawmaker, NKP, (Ulsan)
- · Cha Su-myong, 56, inc.umbent Rep., NKP (Ulsan)
- · Yi Kyu-chong, 54, ex-lawmaker DP (Ulsan)
- Chong Mong-hun, 45, incumbent Rep., Ind. (Ul-san)
- · Kwon Ki-sul, 57, party officer, DP (Ulsan)
- · Kim Ho-il, 54, incumbent Rep., NKP (Masan)

- Kang Sam-chae, 44, incumbent Rep., NKP (Masan)
- · Kim Che-chon, 49, publisher, Ind. (Chinju)
- · Ha Sun-pong, 55, incumbent Rep., NKP (Chinju)
- Ho Tae-pom, 60, ex-Adm., NKP (Chinhae)
- Kim Tong-uk, 58, ex-lawmaker, NKP (Tongyong)
- · Hwang Song-kyun, 61, ex-lawmaker, Ind (Sachon)
- · Kim Yong-il, 53, incumbent Rep., NKP (Kimhae)
- Kim Yong-kap, 59, ex-minister. Ind. (Milyang)
- · Kim Ki-chun, 56, ex-minister, NKP (Koje)
- Yun Han-to, 59, ex-governor, NKP (Uiryong)
- · No Ki-tae, 50, businessman, NKP (Changyong)
- · Na O-yon, 64, incumbent Rep., NKP (Yangsan)
- · Pak Hui-tae, 58, incumbent Rep., NKP (Namhae)
- Kwon Ik-hyon, 62, incumbent Rep., NKP (Sanchong)
- · Yi Kang-tu, 58, incumbent Rep., NKP (Kochang)

# Cheju-to

- Hyon Kyong-tae, 57, incumbent Rep., NKP (Cheju)
- Yang Chong-kyu, 63, incumbent Rep., NKP (Cheiu)
- Pyon Chong-il, 55, incumbent Rep., NKP (Sogwipo)

# National Constituency NKP

- · 1. Yi Hoe-chang, 61, lawyer
- · 2. Yi Hong-ku, 62, ex-prime minister
- · 3. Yi Man-sop, 64, Rep., ex-Assembly speaker
- · 4. Kim Myong-yun, 72, ex-Assemblyman
- 5. Kwon Yong-cha, 59, ex-minister (F)
- . 6. Kim Su-han, 68, ex-Assemblyman
- . 7. Kim Tok, 61, ex-NSP director
- · 8. Sin Yong-kyun, 68, ex-movie actor
- · 9. Pak Se-hwan, 56, retired Army Gen.
- · 10. Chong Chae-chol, 68, incumbent Rep.
- 11. Chon Sok-hong, 62, ex-province gov.
- 12 Cho Hea hay 10 professor
- 12. Cho Ung-kyu, 59, professor
- 13. O Yang-sun, 48, pharmacist (F)
- 14. Kim Chol, 51, ex-journalist
- · 15. Hwang U-yo, 49, ex-BAI inspector
- · 16. Kim Yong-son, 36, lawyer
- · 17. Yun Won-chung, 52, party officer
- · 18. Kang Yong-sik, Rep., party officer

#### NGNP

- 1. Chong Hui-kyong, 65, campaign director (F)
- · 2. Pak Sang-kyu, 60, businessman
- · 3. Yi Song-chae, 38, lawyer
- · 4. Kil Sung-hum, 59, professor
- . 5. Pak Chong-su, 64, incumbent Rep.

- . 6. Kim Han-kil, 44, writer, TV personality
- . 7. Yi Tong-won, 70, ex-foreign minister
- 8. Sin Nak-kyun, 55, NCNP VP (F)
- · 9. Kwon No-kap, 66, incumbent Rep.
- · 10. Chon Yong-tack, 59, retired Army Lt. Gen.
- . 11. Han Yong-ae, 55, NCNP officer (F)
- · 12. Pang Yong-sok, 51, NCNP officer
- · 13. Kim Chong-pae, 42, businessman

#### ULD

- · 1. Chong Sang-ku, 71, ULD VP
- · 2. Han Yong-su, 61, noor leader
- · 3. Yi Kon-kae, 5, ex-prosecutor
- · 4. Kim Ho-nam, 75, ULD treasurer
- 5. Kim Kwang-su, 71, ex-Assemblyman
- · 6. Chi Tae-sop, 52, businessman
- · 7. Chong Sang-chon, 65, incumbent Rep.
- · 8. Yi Tong-pok, 59, ex-NSP staffer
- · 9. Han Ho-son, 60, ex-NACF chairman

### DP

- · 1. Yi Chung-chae, 71, DP campaign director
- 2. Yi Mi-kyong, 46, women's group head (F)
- · 3. Yi Su-in, 55, professor
- · 4. Kim Hong-sin, 49, DP spokesman, writer
- 5. Cho Chung-yon, 60, ex-Assemblyman
- · 6. Ha Kyong-kun, 64, ex-univ. president

### ROK: Corrected Version on Outcome of General Elections

SK1504001396 Seoul CHUNGANG ILBO in Korean 12 Apr 96 p 6

[Corrected version of editorial: "Politics Should Now Undergo Changes"; originally filed as SK1204154396; explanatory note describes difference from initial FBIS version, published in the 15 March East Asia Daily on p 691

[FBIS Translated Text] Unlike the public predictions, which foretold the ruling party's defeat, the New Korea Party [NKP] fought a good fight in the general elections despite the Chang Hak-no scandal, although it failed to secure a majority in the National Assembly. In another words, the outcome of the April 11 general elections reflected the people's desire for stability.

We believe that the results of the general elections represented the people's mature and wise judgment because they eased concerns over political unrest and time-consuming political strife that would inevitably result from the absence of the leading force in creating a stable political situation. Everyone clearly remembers the deadlocked political situation after the 13th general

elections in which the ruling party was a minority and the opposition camp was a majority. [changing word "minority" to "majority"] Moreover, the presidential election will be held next year, and if a serious situation is created where the ruling party is a minority and the opposition camp is the majority and where the regional parties compete for the country's presidency, there will no doubt be serious side effects and adverse results from this. To this end, the recent outcome of the general elections showed that the people do not want such an extreme situation.

### Good Showing by Government and Ruling Camp Unstable

However, the election result cannot be seen as an NKP victory nor the demonstration of the people's trust in the ruling camp. On the contrary, North Korea's recent provocations prodded the people's desire for stability and their concern over security, increasing voter support for the NKP. It would probably be right to conclude that the NKP's strong showing in North Kyongsang Province stems from the people's lack of choices, rather than their support for the ruling party.

To this end, the government and the ruling party ought to feel greater responsibility for and be burdened by the election result. From now on, they should carry out state affairs with new concepts and methods. The government and the ruling camp have probably figured out where their problems lie and what the people dislike about the course of the election campaigning. It is obvious that ruling party candidates throughout the nation criticized the government and promised during their campaigning that it will stand in the forefront in continuing reform.

### A Mechanism for Dialogue and Compromise Should Be Established

In this regard, the government and the NKP are in circumstances in which they cannot be relieved by the outcome of the general elections. The NKP may need to lure as many independent legislators as possible right now. However, even if it secures a stable majority through alliances with independent legislators, the ruling camp cannot and should not run alone as it has done in the past.

Whether the ruling camp likes it or not, it must revitalize the National Assembly and improve relations between the parties. So far, relations between the ruling and opposition parties have suffered a setback and the National Assembly has been crippled due to the president's individual reform. However, from now on the ruling camp should be at the forefront of the politics of dialogue and compromise.

The opposition parties should also undergo changes. If they think about why the outcome of the election fell short of their expectations, they could learn a few lessons themselves. Their same old tactics of attacking the ruling camp are devoid of alternatives and new vision, and their political tricks of arousing regional rivalry have apparently disappointed voters. Only a dark future lies ahead of the opposition parties if they fail to overcome such outmoded notions and conducts. The opposition parties should also pursue negotiation and cooperation, rather than division and confrontation; should sharpen their competitive edges over policies rather than seek political strife; and should carry out human and structural reforms that accord with the changing times.

# The Need To Change the Opposition Party's Notions and Conduct

We urge each political force to correctly read the people's sentiment reflected in the 11 April general elections and humbly accept its result, and expect them to promptly carry out self-change as demanded by the new climate. In addition, the parties concerned should be wholly responsible for having created and heavily relied on regional sentiment. If they continue to seek power based on this regional background, not only will there be little chance of success, but they should also think of the harm such politics will bring about.

It is significant that the ruling party made a strong showing in the Seoul Metropolitan area, where the National Congress for New Politics [NCNP] had traditionally prevailed. Of course, one should draw the conclusion that the fact that the ruling party profited form North Korea's provocations could also be seen as a sign hinting at the people's rejection in the Seoul Metropolitan area of the outmoded political structure based on the three Kims. The NCNP leadership's wise judgment following its poor showing grabs our attention.

Now we should concentrate on turning the results of the 11 April general elections into a new beginning for better politics.

# ROK: Poll Results Point at Yi Hoe-chang as Probable President

SK1704020796 (Internet) The Digital Choson Ilbo WWW in English 1230 GMT 17 Apr 96

[FBIS Transcribed Text] The WEEKLY CHOSUN [CHUGAN CHOSON] conducted a poll recently among 132 ruling New Korea Party members recently elected to the National Assembly concerning there choice for who they considered to be the next President. Of 132 respondents, 27 picked former Prime Minister Yi Hoechang as the most probable candidate, while 21 selected

him as the most favorable choice. The results, to be published in the April 25th issue, showed the Vice Chairman of the National Assembly Yi Han-tong to be the runner-up.

# ROK: NKP Urged To Punish Taegu Assemblyman for Aiding Chon

SK1704084696 Seoul YONHAP in English 0744 GMT 17 Apr 96

[FBIS Transcribed Text] Seoul, April 17 (YONHAP) — Pak Chi-won, spokesman of the main opposition National Congress for New Politics (NCNP), urged the ruling New Korea Party (NKP) to punish lawmaker-elect Kim Sok-won (Taegu Talsong District) because he helped former President Chon Tu-hwan hide his slush fund.

Pak said in a statement that the NKP should make Kim give up his National Assembly seat and that the prosecution should take legal action against Kim.

The prosecutors office said Tuesday [16 April] that Kim Sok-won, former chairman of the Ssangyong Business Group, illegally cashed Chon's industrial bonds totaling 8.8 billion won under the names of his business associates in late 1993 and early 1994 in violation of the real-name financial transaction system.

Of the 8.8 billion won (about 11.3 million U.S. Dollars), 6.1 billion won had been hidden at Kim Sok-won's Itaewon home before it was taken to a storage of the Ssangyong Cement Co. last November when prosecutors began tracing Chon's secret funds.

"It is a clear violation of the law on the real-name financial transaction system. We cannot help criticizing him for his immoral action," Pak said.

Pak said that President Kim Yong-sam and the NKP should reprimand the prosecutors office for postponing the announcement that the former business tycoon was involved in Chon's attempt to hide his slush fund.

The conservative opposition United Liberal Democrats also criticized the prosecution for its biased investigation in favor of Ssangyong Business Group, and urged prosecutors to take a legal action against Kim Sok-won.

# ROK: Editorial Comments on Chon Funds Uncovered by Prosecution

SK1704020596 (Internet) The Digital Choson Ilbo WWW in English 1228 GMT 16 Apr 96

[Editorial: "Immorality of No and Chon"]

[FBIS Transcribed Text] Former President Chon Tuhwan has enjoyed a relative amount of sympathy from the public as a figure seemingly caught up in the prosecution of former President No Tae-u, which brought about the enactment of the 'May 18 Special Law' and movement toward historical correction following the huge slush-fund scandal.

But, the 6.1 billion won cash stored secretly at Ssaangyong cement revealed there is no difference between them in lack of morality and shamelessness. Chon, like No, kept a large slush fund upon retirement but showed a more cunning side in cashing and hiding a large amount of money, illegal under the real-name system, whereas No kept his at various financial institutions.

This fact will affect the legal character of the slush fund, which is currently being argued in the courts. Chon stated that the moneys were political funds in answering the prosecutors' charge that they were no more than bribes taken from businessman. The cash, 25 boxes of 10,000 won bills, preclude any justification he may have offered. The prosecutor must find the 140 billion won still unaccounted for and take due legal action.

There also is a dubious attitude shown by the prosecutor in this trial. The prosecutor found these boxes of money on Jan 24th and only announced the discovery three months later on April 15th. Why did the prosecutor hide this fact, and why wasn't the Ssangyong Group indicted for violating the real-name system by cashing Chon's 14.3 billion won and storing it? That the chairman of the Hanbo Group was indicted under similar circumstances related to No's slush fund is unfair.

# ROK: Yi Ki-tack Reverses Decision To Retire From Politics

SK1704084496 Seoul YONHAP in English 0719 GMT 17 Apr 96

[FBIS Transcribed Text] Pusan, April 17 (YONHAP) — Yi Ki-taek, advisor of the minor opposition Democratic Party, has reversed his earlier decision to retire from politics if he failed in the general election.

Yi lost to the ruling New Korea Party candidate in a one of Pusan's districts last week.

"I made the retirement decision, assuming that the election would be clean and fair, but last week's election was totally rigged, with an unprecedented amount of violence and money, and I therefore cannot accept the election results," he told reporters Wednesday.

In his first press meeting after being defeated, Yi said he would not assume party position, but added he would like to help restructure the party which recently suffered a crushing defeat.

The party should shift from the current plural leadership system to a one-man leadership for its new role as an opposition force in the new parliament, even though it has failed to form a floor negotiation group, he remarked.

Yi said he would run in presidential election if nobody from Pusan entered the race next year.

## ROK: Improprieties of Government Offices Abroad Uncovered

SK1704071496 Seoul YONHAP in English 0535 GMT 17 Apr 96

[FBIS Transcribed Text] Seoul, April 17 (YONHAP)
— Some overseas-based offices of the government and its corporations turned out to have used parts of their budgets for unappropriated purposes, according to an annual report of the Board of Audit and Inspection (BAI) issued Wednesday.

BAI inspectors uncovered 46 cases of irregular expenditures in 13 overseas offices of the Foreign Ministry, Information Ministry and the Korea Trade-Investment Promotion Agency (KOTRA) in a series of inspections on their budgetary expenditures in June last year, the annual report for 1995 said.

In an instance involving the embassy in Australia, a military attache received 1,228 Australian dollars from the Defense Ministry for his two business trips to Sydney in 1994 despite that he had already been given 863 Australian dollars out of the Foreign Ministry's budget for the same purposes.

He was also known to have used 1,885 Australian dollars in embassy funds for four business trips which he did not actually make, using the money instead for a private trip and operation of his office.

The consulate-general in Vancouver, Canada, overcharged a total of 4,202 U.S. dollars to individuals for the issuance of various certificates between April 1994 to May 1995.

An accountant at the New York Trade Center wrote a check for 1,828 U.S. dollars from the Trade Center's operating account to pay his credit card bills.

The embassy in Senegal gave one of its staff more than 30 million won in family allowances and airfare last year though he was residing there alone.

## ROK: President Kim To Meet Opposition Leaders Separately

SK1704071396 Seoul YONHAP in English 0539 GMT 17 Apr 96

[FBIS Transcribed Text] Seoul, April 17 (YONHAP) — President Kim Yong-sam will have a series of separate luncheon meetings with opposition leaders beginning with Kim Tae-chung, president of the main opposition National Congress for New Politics (NCNP), Thursday, to discuss bipartisan cooperation in the wake of the recently-ended general elections.

Kim is going to explain the results of his talks on Tuesday with U.S. President Bill Clinton, including the proposal for a four-nation conference to discuss a peace regime on the Korean peninsula.

Kim will invite Kim Chong-pil, president of the United Liberal Democrats (ULD), the following day, and then Chang Ul-pyong, co-chairman of the minor opposition Democratic Party (DP), on Saturday.

As concurrent head of the ruling New Korea Party, President Kim is expected to exchange a wide range of opinions on establishing a new and sound relationship between the ruling and opposition parties for the 15th National Assembly, which opens June 1.

Kim's separate meetings with Kim Tae-chung and Kim Chong-pil will be his first since being sworn into office in 1993, although there had been a few group meetings.

President Kim's invitation was formally extended to the opposition leaders when Yi Won-chong, senior presidential secretary for political affairs, visited them at their party headquarters earlier in the day.

During the meeting, Kim is also expected to reveal his plan for the direction of state administration for the remainder of his term, which ends February 1998.

Last Aug. 23, President Kim invited 24 political leaders and major figures of three government branches, including Kim Tae-chung, to Chongwadae [presidential offices], where he explained his state policies and asked for their cooperation. But at the time, Kim Chong-pil did not attend the meeting for personal reasons.

A senior official at the ruling party said that President Kim and opposition leaders will discuss ways to create "a comprehensive political system that will integrate people who in the past have been divided by regionalism and factionalism."

#### ROK: Chaebols' Concentration of Economic Power Viewed

SK1404034696 (Internet) The Digital Choson Ilbo WWW in English 1234 GMT 13 Apr 96

[Editorial: "How Much Should Business Expand?"]

[FBIS Transcribed Text] The last year has seen continued expansion for the major conglomerate enterprises. According to the Fair Trade Commission, the 669 companies affiliated with the 30 major conglomerates have either created or taken over 46 new businesses, up from

7 from the previous year. This increase is not unexpected, as most of the new ventures are those which have high viability for the future, including communications, financial institutions, and distribution companies.

This trend is the root of serious problem, where major conglomerates are taking a concentrated share of the market. In the last year, sales from the 30 conglomerates alone comprised 90 percent of the GDP, up from 81 percent in the previous year. The total assets for the companies have also risen 22.9 percent in the period of one year.

On a more serious note, however, is the role of the five largest conglomerates, and their continued growth. We are seeing the phenomenon of these companies expanding to gargantuan proportions. For example, even if you were to add up the total assets or total sales of the lesser 25 companies, the figures cannot even approach the holdings of the top five. It goes without saying that these giants have a pivotal role within the national economy. Perhaps expansion on this scale is necessary to compete within the world market. However, these giants should not be dissipating themselves by diversifying indiscriminantly, and should instead, concentrate their efforts into a much smaller range of fields.

To maintain a competitive edge within the world economy, it is not feasible for limits on growth to be effected through government intervention. Rather, the conglomerates themselves must set bounds on their activity. To maintain a strong position in the global economy, these companies must expand by developing in a more concentrated variety of fields, rather than spreading themselves too thinly by diversifying. This last cannot be achieved unless the companies also simplify the fashion of their investment and takeovers of smaller affiliates and companies.

# ROK: KEPCO Decides To Join 'Korea Global Telecom'

SK1304035896 Seoul THE KOREA HERALD in English 13 Apr 96 p 8

[FBIS Transcribed Text] Korea Electric Power Corp. (KEPCO) has finally decided to join the eight-way international-call service consortium, called "Korea Global Telecom [KGT]."

The state-run power monopoly has obtained an official approval from two of its largest shareholders—the Ministry of Trade, Industry and Energy (MOTIE) and the Ministry of Finance and Economy (MOFE)—to branch out into the telecommunications service, said a spokesman for Korea Global Telecom yesterday.

He said that KEPCO agreed to take over a 4.7-percent stake in Korea Global Telecom (KGT), a 70-billionwon joint venture company among all of the eight international license contenders—the Lotte, Dong-Ah, Halla, Kohap, Haitai, Iljin and Asia (Cement) groups, and Daeryung Ind., Inc.

"Representatives of KGT and KEPCO have completed detailed negotiations on the latter's participation in the KGT consortium. And the MOTIE and MOFE will hold a meeting of KEPCO's board of directors Saturday to authorize the corporation's entry into international-call service business." he stressed.

KEPCO's equity in KGT has been set at 4.7 percent, about 1.2 percentage points lower than anticipated, while the respective interest of KGT's eight major shareholders has been readjusted upward to 6.55 percent from 6 percent, he said.

The combined share of the eight major shareholders and KESPCO will amount to 56.7 percent, with the remaining 43.3 percent being distributed among 400-odd small businesses and cable TV companies.

## ROK Productivity Index Reaches ilighest Level in 5 Years

SK1704054896 Seoul THE KOREA TIMES in English 17 Apr 96 p 8

[FBIS Transcribed Text] Productivity in the manufacturing sector last year hit the highest level in five years, posting an improvement of 11.8 percent compared to the previous year, the Korea Productivity Center [KPC] said yesterday.

In an annual report, the KPC said that the improvement was the best since 1991, when the rate was 14 percent. In the following year, the figure slid to 11 percent, shaking off several years of lackluster productivity.

KPC officials said the productivity index in the manufacturing sector registered 169 last year based on 100 for the previous year. The corresponding index was 151.3 in 1994.

The productivity index is calculated by taking into account the total value in production and labor input. While the labor input, mainly labor hours, remained largely unchanged, production improved 11.9 percent.

"Owing to a high level of automation and improved management standards, productivity has been gaining. Furthermore, labor costs have been stabilizing," one KPC official said.

Spurring the manufacturing sector was telecommunications and video and audio companies, whose productivity improved by 23 percent. Mining, on the other hand, saw a fallout in productivity of 0.9 percent.

## ROK: Trade Deficit Fell 1st Quarter; Exports, Imports Rose

SK1704085296 Seoul YONHAP in English 0614 GMT 17 Apr 96

[FBIS Transcribed Text] Seoul, April 17 (YONHAP) — The Customs Administration on Wednesday reported that the nation's trade deficit fell to 3.84 billion U.S. dollars in the first quarter of the year, down from the 4.33 billion dollars registered the previous year.

Exports rose 21.5 percent from a year ago to 31.83 billion dollars and imports climbed 16.9 percent to 35.67 billion dollars.

Capital good imports such as machinery and equipment slowed, which reduced the trade deficit, officials said.

Electronics were the leading export, posting a 30.1percent increase while automobile exports were up 24.6percent. Steel exports fell 15.8 percent from last year.

The number of exporter's letters of credit for the three month period, a barometer of exports for the coming quarter, shrank 1.9 percent from the same period last year, but the number of import licenses issued increased 14.7 percent, indicating that the trade deficit will expand in the second quarter.

## ROK Joins Wassenaar Pact Controlling Strategic Technologies

SK1204144496 Seoul THE KOREA ECONOMIC WEEKLY in English 15 Apr 96 p 2

[FBIS Translated Text] Korea has joined the Wassenaar Arrangement as a founding member. The arrangement is an international regime which has replaced Cocom in controlling the export of strategic items and technologies in the post-Cold War era.

The government sent a delegation to the inaugural conference of the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies held from April 2-3 in Vienna, Austria.

An official of the Ministry of Foreign Affairs said, "The Wassenaar Arrange, sent will help stimulate the export of strategic items and the exchange of state-of-the-art technologies, including super computers among member countries."

Especially, since exports by member countries to nonmember countries are strictly controlled, North Korea will face difficulties in importing strategic items from Russia, Poland, Hungary and the Czech Republic, all members of the Wassenaar Arrangement.

## ROK: Agriculture, Fisheries, Livestock Ministry on Internet

SK1604075596 (Internet) The Chungang Ilbo WWW in English 16 Apr 96

[FBIS Transcribed Text] Establishing sites on the Internet is now a trend spreading to areas related to agriculture, fisheries and livestock. The National Agricultural Co-operative Federation (NACF) and the Agriculture-Fisheries Distribution Corporation each opened a home page on the Internet for the purpose of introducing Korean agriculture as well as agricultural and fisheries processed products.

The Agriculture-Fisheries Distribution Corporation opened its trial home page in the middle of last month with the data on various agricultural and fisheries products and traditional processed food. The Corporation is also collecting all sorts of data requested by purchasers in foreign countries.

# ROK: ONTA To Decide on Tax Probe of 30 Major Conglomerates

SK1704054996 Seoul THE KOREA TIMES in English 17 Apr 96 p 9

[FBIS Transcribed Text] The Office of National Tax Administration (ONTA) is keeping silent on whether it will initiate a tax probe into 30 major conglomerates to check how they treated corporate funds diverted to former presidents Chon Tu-hwan and No Tae-u.

It has long delayed its probe into the 30 groups because it believed that the audit might reduce exports and affect the general elections.

ONTA officials have said the tax office will make a decision on whether to initiate an audit into the 30 conglomerates after the court issues a ruling on the slush fund scandal that involved multi-million dollars for the two former presidents.

As the money has been delivered from the 1980s till 1992, many firms might not be subject to a special tax audit because the tax law bars the tax office from collecting backtax for years stretching beyond the past five years.

set in March 1993.

The sharp fall was attributed mainly to the abundant liquidity situation. "We expected the bond yield to plunge below 11 percent this week as fresh bond issues were few compared with the abundant liquidity in circulation," a Bank of Korea official said.

The central bank said corporate fund demand has dwindled significantly owing to a slowdown in facility investment. "Post- election concern about the central bank's tighter control of money supply has also been diffused, adding fuel to the bond yield plunge," the official said.

More importantly, the government's strong commitment to having market rates fall has amplified expectations of low interest rates. "We are positive about a further halted shortly, saying the yield fell too fast in too short a span of time. "Securities companies and other financial institutions may begin selling bonds for profit-taking purposes," a bond dealer said.

The three-year bond yield, which reached 19.04 percent in late January, began its downward movement in February. The yield fell to 11.86 percent in late February and 11.44 percent in late March. At one time in early April, it rebounded slightly but resumed falling shortly after.

The yield on 90-day certificates of deposit was created at 10.45 percent yesterday, the same level as Monday, as fresh issues decreased thanks to banks' abundance of funds. The overnight call rate also stabilized at 9 percent yesterday.

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## Cambodia

## Cambodia: Probe on Firm Linked to Japanese Terrorist, Fake Currency

BK1704024296 Bangkok ASIA TIMES in English 17 Apr 96 pp 1, 2

[Report by Somsak Thamrongsunthonchai in Phnom Penh]

[FBIS Transcribed Text] Cambodian police have launched a major investigation into the operations of a Phnom Penh-based company linked to Yoshimi Tanaka, a Japanese Red Army member, on charges of using counterfeit US dollars last month.

Police in Phnom Penh believe that Kodama International Trading (KIT), run by Tang Cheang Tong, a Japanese citizen of Khmer-Chinese origin, helped Tanaka launder fake US currency through its export-import operations.

Tanaka, 47, was arrested on the Cambodia-Vietnam border on March 24 by Cambodian police and Interpol officials after being accused of disposing of counterfeit dollars in the southeastern Thai resort of Pattaya. One of Japan's most well-known fugitives, Tanaka is also wanted for his role in the 1970 hijacking of a Japanese airliner to Pyongyang, North Korea.

According to documents at the Judicial Affairs and Registration Office of the Cambodian Foreign Trade Department, KIT was registered with the Commerce Ministry on September 11, 1995 as a sole proprietorship company owned by Tang Cheang Tong, also known by his Japanese name Shogo Kodama. He also listed himself as director of the company which had registered capital of 20 million riels (about US\$7,900 at the official exchange rate).

Tang Cheang Tong's Cambodian Identity Card number 353700 which was issued on September 12, 1992 indicates that he was born on January 1, 1943 in Kratie Province. His father, Tang Tai, is dead and his mother, Gauy Bakhe, is now living in the United States.

According to Cambodian police officials Tang Cheang Tong is a Sino-Khmer who left for Japan before the Khmer Rouge came to power in Cambodia in 1975. He worked in Japan for more than 10 years. He obtained Japanese citizenship and used Shogo Kodama as an alias in the mid-1980s. In 1992 he returned to Cambodia to start an export-import business.

The objective of KIT, as stated in the registration documents, covered many areas of business such as development of real estate, tourism, agro-industry, transportation and import-export.

Mao Tora, general director of the Cambodian Foreign Trade Department said though the real business of KIT was still unclear, the ministry could not abolish its business certificate unless requested by either the owner or through a court order.

Police believe that Tang Cheang Tong is still hiding somewhere in Cambodia.

Tanaka, now under arrest and facing trial in a Thai court, is suspected of setting up a site to manufacture counterfeit US currency in Thailand using KIT as one of his distribution channels. Last month, Thai police sources said that they had arrested four of Tanaka's Thai employees and seized sophisticated counterfeiting equipment.

Interestingly enough, the tip-off about KIT's possible involvement with Tanaka came from Japanese Red Army members in Pyongyang who issued a statement soon after their colleague's arrest claiming his innocence.

#### Cambodia: Sihanouk Comments on Recent Events

BK1604154896 Phnom Penh National Radio of Cambodia Network in Cambodian 1100 GMT 16 Apr 96

["Message" from King Norodom Sihanouk to the people for the traditional new year; place and date not given — recorded]

[FBIS Summary] King Norodom Sihanouk begins his 45-minute recorded address to the people by conveying the traditional new year wishes and then comments on some "national issues." He starts with recent reports broadcast on national television and also in newspapers, according to which "in the 1950's and 1960's the people's representatives were cheating the people" and did not honor their promises to do things for the people. "This affects Sangkum Reas Niyum, a movement led by Norodom Sihanouk" when he abdicated the throne to lead the Sangkum Reas Niyum party. Sihanouk then recalls at length the major events taking place when he was in power and defends what was achieved at that time, highlighting Cambodia's genuine independence and his policy of self-reliance.

Recalling some of the events from that time, Sihanouk says: "at that time the United States was feeding the Khmer Royal Armed Forces [KRAF], our troops. The U.S. did not do this out of love; it wanted to control out troops. Any country controlling Cambodian troops is in control of Cambodians. That's why I rejected U.S. aid in 1963. I said: Your aid was for oppressing Cambodia; you are practicing imperialism. Therefore, off you go. You do not have to help me. You gave us \$30 million; I do not need that. I rejected that. That was why some KRAF men did not forgive me. When I went to the Soviet Union in March 1970,

they took the opportunity to topple me." He adds: "the soldiers were in pain because they could not serve as U.S. servants. They needed U.S. money and wanted to stay with the Americans. As is the case today, some Cambodians really love the Americans, almost more than their own nation. I have never loved any country more than my own country. I have stayed in China and [North] Korea but I never loved those countries the way I love my nation. I am grateful, yes. I am not an ungrateful person."

Sihanouk goes on to say that "I respect 100 percent the policy of our current state, called the second Kingdom of Cambodia, with Prince Krompreah Norodom Ranariddh and Samdech Hun Sen as leaders of the ruling government. I sincerely and wholeheartedly support the Royal Government; I do not deny this despite the fact that the Sangkum Reas Niyum policy and the current one differ. From now on, I would like to clearly state that I do not ask for praise for Sangkum Reas Niyum. I only ask for one thing: Please do not slander and denigrate Sangkum Reas Niyum."

Sihanouk then talks about the damage being done to the country by foreign companies' logging activities, saying that "I do not believe that foreign countries and companies are sincere in their desire to help us. If they had not been benefitting, they would not have helped us," adding: "If they give us two, they get eight out of 10. They exploit our economy and national resources. For example, when the Khmer Rouge did business with others, the latter got eight or nine out of 10 even though the Khmer Rouge thought they got the most out of the deals. The Khmer Rouge bought weapons to serve their own ambitions and thought they were doing great. They in fact destroyed their nation's resources in Pailin."

Sihanouk goes on to say: "Now we have a lot of money to build this and that and to distribute to the people. This is good. I am not insinuating anything; I am sincere in saying this. I am sincere in saying this is good. However, do not apportion blame; I am not asking for praise for Sangkum Reas Niyum. Please stop saying: Do it the way Sangkum Reas Niyum did. Please stop saying this. We are now entering the new year; we should play the game straight and not cheat. We should not talk about Sangkum Reas Niyum, but do not slander Sangkum Reas Nivum. Do not praise and do not slander. I would like to say this again and again. Stop praising Sangkum Reas Nivum and stop referring to development in the Sangkum Reas Niyum era. When I listened carefully to this, it was mostly slandering Sangkum Reas Niyum: for example, saying that there were no roads and no bridges. I did all this in accordance with our meager possibilities." He adds that "Those who used to help me are still alive - Samdech Son Sann, Samdech Nhoek Chulong, Samdech Chum Kosal, His Excellency Ing Kiet — they are still alive. Those who do not believe me, ask these individuals to come to my office in the royal palace to consult publications from the Sangkum Reas Niyum."

Sihanouk then points out the difference between the nationalization policy and "the Buddhist socialism" of Sangkum Reas Niyum and the current policy of "capitalism and multiparty liberal democracy" and stresses that "the living standards of our people are now a lot better. I do not want this to change; stay this way. I fully support it. However, I say this again and again, please understand that Sangkum Reas Niyum was different. A French proverb says that one should not compare things that are not comparable."

Sihanouk also says that "Frankly, I am on Sangkum Reas Niyum's side; it was my own child. But I am not saying that Sangkum Reas Niyum was better than the current regime, that of Ranariddh and Hun Sen. I sincerely support and admire this regime. But do not make insinuations against Sangkum Reas Niyum. I am not asking for praise for Sangkum Reas Niyum. At this new year in the Teveavinichhai hall the throne angels are here so I am not saying silly things. I do not need praise for Sangkum Reas Nivum. Stop doing this; stop talking about Sangkum Reas Niyum from the time I am talking now, this will be broadcast tomorrow. So, stop talking about it and do not make insinuations, because Sangkum Reas Niyum was not at fault. Sangkum was proud and independent; foreigners could not do what they wanted. I did not allow this."

Sihanouk then adds: "in the 1993 election I did not ask to be king; I asked to take part and compete in the election. But UNTAC [UN Transitional Authority in Cambodia] and the old and new imperialists did not agree to this, arguing that if Sihanouk took part, he would continue Sangkum Reas Niyum, which meant that foreigners and capitalists would have no part in it. You people, do not come; do not bring corruption. Go wherever you want to do business but do not come here. You will not be allowed in. Everything belongs to the state. Nothing belongs to you."

After talking about gem mining abuses in some provinces, Sihanouk says that "I am not saying that Sangkum was the only decent regime and that the current regime is not; I am not saying this. But a new doctrine says that Sangkum was not good. Whenever Sangkum is accused, I will reply. Please note this; I will reply. Why? Because our Constitution says that any Cambodian, be it the king or anybody else, has the right to express his opinion; he should not be faulted and punished for doing this. Anyone talking about

the truth should not be punished." "Therefore, if there are any statements, through television or radio or in the newspapers discussing Sangkum and saying that Sihanouk wrongly did this or that, I will reply, as long as I am aware of it. If I am not aware of it myself, if I do not hear it myself, I will not reply. For example, the republicans of the Lon Nol-Sim Va group, Lon Nol and Sim Va, are dead but their followers are still alive. They have their party here. I have not read their newspapers; therefore, I cannot reply since I do not read their paper. I have been insulted and accused. But I do watch and listen to some programs on television. When I hear them, I have to reply in the name of an ordinary citizen."

Sihanouk then says: "I am not angry with anyone and do not want to compete or oppose anyone; I have no personal ambition. I have only a national ambition of wanting to see the nation prosper, the people happy, and Cambodia with full independence, territorial integrity, and peace."

Sihanouk ends his speech by taking leave of the people for "a 10-day state visit to France tomorrow." He will return "on 30 April." He also says that he will be going to Singapore in June and to the Philippines in December.

## Cambodia: Government To Undergo 'Minor Cabinet Reshuffle' 'Soon'

BK1704041196 Phnom Penh REAKSME1 KAMPUCHEA in Cambodian 17 Apr 96 pp 1, 2

[Report by Srei Neat]

[FBIS Translated Text] REAKSMEI KAMPUCHEA recently learned from a well-informed source that the Royal Government of Cambodia will soon undergo a minor cabinet reshuffle. Mrs. Sok Huo, widely known to be an adviser to the first prime minister prince krompreah and a former president of a nongovernmental organization [NGO] called Khemara, will be appointed minister of women's affairs. Mrs. Im Run, current under secretary of state for women's affairs, will be appointed secretary of state for women's affairs to replace Kiet Sokun, who has held this position for the past two years.

Koem Sokha, chairman of the National Assembly's Human Rights and Petitions Commission, also told REAKSMEI KAMPUCHEA that Tep Darong will also be nominated secretary of state for relations with parliament for the third time.

Koem Sokha went on to say that the reshuffle in the Ministry of Women's Affairs will be included on the agenda of the National Assembly's plenary session, which will open on 19 April. This will be the first plenary session following the three-month recess of the National Assembly.

Last year the National Assembly passed a law creating the Ministry of Women's Affairs and stipulating that it was to be run by a woman minister and state secretary; however, since the passage of the law, the Ministry of Women's Affairs has been placed under the leadership of Kiet Sokun, a minister from the Buddhist Liberal Democratic Party (Samdech Son Sann's faction). It is not yet known to what position Kiet Sokun will be transferred. Koem Sokha did not elaborate on this point. He only said that the above arrangement had been proposed by the government. It is also not known whether the National Assembly will support this proposal.

Prior to this, letters opposing Mrs. Sok Huo were received from several women in the NGO, as well as from the Ministry of Women's Affairs. They all voiced opposition to her appointment to the ministry. The letters bearing many signatures asserted that Mrs. Sok Huo was not qualified to lead the women.

It shall be recalled that information regarding Mrs. Sok Huo's appointment has been floating around for months after the National Assembly adopted the law creating a Ministry of Women's Affairs under women's leadership. It is known that Mrs. Sok Huo is a member of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party and a close confidente of Prince Krompreah Norodom Ranariddh, first prime minister and chairman of the party.

Another case of which no one can be sure, is the appointment of Tep Darong. The latter's nomination was already submitted twice to the National Assembly, but neither time received enough votes. Some circles have speculated on why the government continues to nominate Tep Daring for the post of secretary of state. The post was vacated by Say Bori on the grounds that this position was incompatible with his being a lawyer.

Koem Sokha further revealed that during its session the National Assembly will also debate the bill controlling medicine and the bill on public enterprises.

## Cambodia: Suspected Khmer Rouge Guerrillas Launch Attack in Kampot

BK1604130396 Hong Kong AFP in English 1159 GMT 16 Apr 96

[FBIS Transcribed Text] Phnom Penh, April 16 (AFP)
— Gunmen, possibly Khmer Rouge guerrillas, attacked
a group of people celebrating Cambodian New Year on
Tuesday in the southern town of Kampot, officials and
witnesses said.

Several hundred revelers, believed to include at least two foreigners, were swimming at a waterfall near Kampot, 148 kilometers (88 miles) south of Phnom Penh, when about 30 gunmen came out of a forest and began firing at them, one witness said.

A senior official at the Ministry of Information confirmed the attack had occurred but said that few details were known.

"I have had confirmation (of the attack), but the number of casualties is unknown right now," said Khieu Kanharith, the ministry's secretary of state. He added that there was a possibility no one was injured.

The witness said that two artillery shells landed in the water before the gunmen, dressed in military uniforms, appeared and opened fire hitting cars and motorbikes parked in the area.

He said that several hundred people gathered at the spot panicked and began running away, while the gunmen stole several motorbikes and cars and belongings inside them.

The nationalities and names of the foreigners believed to have been involved were not immediately known.

## Indonesia

# Indonesia: Alatas Confirms Relaying of ROK-U.S. Proposal to DPRK

BK1604130096 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 16 Apr 96

[FBIS Translated Text] Foreign Minister Ali Alatas has expressed the Indonesian Government's deep concern over Israel's repeated attacks against Lebanon, which have caused heavy casualties and property damage as well as triggered an influx of refugees from the pounded areas. According to Minister Ali Alatas, the Israeli aggression against Lebanon is totally unjustifiable whatever the circumstances.

Meanwhile, Minister Ali Alatas confirmed this afternoon that Indonesia had been asked by South Korea and the United States to relay to North Korea a proposal that a quadripartite meeting be convened to defuse tension on the Korean peninsula.

[Begin recording] [Alatas] Indeed, we were approached [preceding word in English] and asked by South Korea last Saturday to convey the proposal to North Korea, because they felt that Indonesia was quietly making active efforts to seek a solution to the tension on the Korean peninsula. They hoped that Indonesia would relay the proposal to the North Korean ambassador.

[Unidentified report] [question indistinct]

[Alatas] What?

[Reporter] Through the ambassador?

[Alatas] Yes. On Sunday, we relayed to North Korea the proposal that a quadripartite meeting involving North Korea, South Korea, the United States, and the PRC be convened to discuss how to replace the 1953 armistice agreement with a comprehensive peace agreement. [end recording]

Minister Ali Alatas, who was intercepted by reporters at his office in the wake of news reports about the request, said the South Korean and U.S. proposal was compatible with Indonesia's stance. The foreign minister, however, admitted that North Korea had not yet responded to the proposal relayed by Indonesia.

In the afternoon, Minister Alatas continued his talks with new Australian Foreign Minister Alexander Downer. Their talks focussed on regional and international issues. According to Alatas, Australia once again asked for Indonesia's support for Australia's bid to become a nonpermanent member of the UN Security Council this year.

## Jakarta Pledges To Contribute More Heavy Fuel to DPRK

BK1704062296 Hong Kong AFP in English 0546 GMT 17 Apr 96

[FBIS Transcribed Text] JAKARTA, April 17 (AFP) — Indonesia has pledged further heavy fuel contributions to North Korea through the Korean Peninsula Energy Development Organization (KEDO), which is helping Pyongyang redevelop its energy utility, an official said Wednesday.

"In principle, Indonesia agrees to contribute again this year, the same amount as last year (and) in the form of fuel as well," Foreign Minister Ali Alatas said shortly after meeting a KEDO delegation.

The fuel contributions, worth \$325,000, are to be used to meet energy needs in North Korea until KEDO can replace the country's existing graphite-moderated nuclear reactors, which are capable of producing weapons-grade plutonium, with safer light water reactors.

In New York, KEDO officials and North Korean representatives met Tuesday for talks focusing on the delicate issue of transport in connection with building the new reactors.

The last KEDO-North Korea specialised working meeting started after Pyongyang warned it would no longer recognise a 1953 armistice agreement signed to end the Korean war, and sent armed soldiers into the buffer zone between the two Koreas.

KEDO spokesman Jason Shaplen told AFP: "Events on the (Korean) peninsula are not affecting the discussions" between the Pyongyang representatives and those of the conso@tium whose main members are Japan, South Korea and the United States.

# Indonesia: Australia's Downer's Briefs Suharto on Canberra Policy

BK1604095896 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 16 Apr 96

[FBIS Translated Text] Australian Foreign Minister Alexander Downer paid a courtesy call on President Suharto at the Bina Graha Presidential Office this morning. The Australian foreign minister was accompanied by Foreign Minister Ali Alatas during the courtesy call.

After the meeting, Foreign Minister Downer told reporters that he briefed the president on the new Australian Government's policy. He said Australia wanted to further enhance cooperation with Indonesia in economy, trade, and investment as well defense cooperation on the basis of the agreement signed last year.

According to Downer, Indonesia has extended considerable political support in strengthening APEC, a multilateral forum that is important for bilateral relations.

The Australian guest held talks with Foreign Minister Ali Alatas as part of his three-day visit that began yesterday.

#### Indonesia: Alatas, Australia's Downer Discuss East Timor Issue

BK1604135696 Jakarta SUARA KARYA in Indonesian 16 Apr 96 p 1

[FBIS Translated Excerpt] Jakarta (SUARA KARYA) — Australian Foreign Minister Alexander Downer began his four-day visit to Jakarta on Monday 15 April. Following a two-hour meeting with Foreign Minister Ali Alatas on Monday afternoon, Downer said that the new Australian Government did not want the East Timor issue to upset relations between Canberra and Jakarta.

"I do not want the East Timor issue to upset our relations with Indonesia," Downer said at the meeting with Alatas, which he described as "very positive and friendly."

Alexander Downer replaced Gareth Evans following the victory of the Liberal-National coalition in Australia's general election in March. John Howard was elected as the new prime minister. This is Downer's first visit to Indonesia. He is scheduled to meet President Suharto on Tuesday morning.

Downer is also slated to meet several ministers, including Susilo Sudarman, coordinating minister for politics and security; B.J. Habibie, minister of state for research and technology; and Tunky Ariwibowo, minister for industry and trade. He will leave Indonesia for Singapore on Thursday morning.

Downer has said that Australia wants to have a constructive approach towards Indonesia and will not be "lecturing" Indonesia or adopting a "megaphone" diplomacy with it over the East Timor issue. So far, Australia — even though it has become one of the bases for activities by the East Timorese, who are anti-integration — is one of the countries that recognize Indonesia's sovereignty over East Timor.

Speaking at a press conference after his meeting with Alatas, Downer said that he had also raised the issue of sea lanes-across Indonesian waters. "I said Australia wants to see that East-West sea lanes are identified," Downer said.

Indonesia has planned to limit the number of sea lanes across Indonesian waters to three North-South lanes only. Downer said he raised the issue because 60 percent of Australia's international trade is conducted using sea transport and 25 percent of this passes through Indonesian waters. If only a few sea lanes are allowed to Australia, this will affect its trade.

Speaking at the same press conference, Alatas said: "We are aware of Australia's interest in the East-West sea lanes and we have not closed the door for further expansion of the concept." He said that officials from the two countries will discuss the issue at the end of April.

Earlier, at a 10-minute press conference at the Grand Hyatt Hotel, Jakarta, Downer announced a joint statement by the Australian foreign and defense ministers on Australia's support for anti-personnel landmines, APL. In the statement, Australia announced its unilateral suspension of the use of APL.

"An unwise use of the APL brings human and economic catastrophe," Downer said. [passage omitted on Australian statement on APL in Canberra]

# Indonesia: Corrected Version of Alatas' Reactions to Howard's Visit

BK1604033996 Melbourne Radio Australia in English 0630 GMT 15 Apr 96

[Corrected version of Interview With Indonesia's Alatas, published in the 15 April EAST ASIA DAILY

REPORT on p 101, rewording per monitor recheck; from the "International report" program]

[FBIS Transcribed Text] Australia's Foreign Minister Alexander Downer arrives in the Indonesian capital, Jakarta, today in his first foray into Asia since taking office. The Australian Government has already made it clear that relations with Indonesia will be given high priority. For its part, Indonesia has arranged for Mr. Downer to meet President Suharto and no fewer than eight cabinet ministers during his stay. As for human rights, which have affected ties between the two countries in the past, Indonesia's Foreign Minister Ali Alatas says he fully expects his Australian counterpart to raise the thorny issue of East Timor. From Jakarta, Michael Maher reports:

[Begin recording] [Maher] President Suharto came to power when Harold Holt was prime minister of Australia, so changes of administration in Canberra are hardly novel events for the 74-year-old Indonesian leader; however, it is a widely-held view here in Jakarta that what had been a brittle relationship between two largely different nations was given new substance and stability during Paul Keating's time in office. It's a measure of the Indonesian Government's desire to build upon those foundations that during Mr. Downer's threeday stay he will be introduced to eight cabinet ministers, as well as to President Suharto. During the Australian election campaign, Paul Keating argued that while Asian leaders would talk to the Howard government, they would not deal with it, but Indonesian Foreign Minister Ali Alatas is making it plain that his country is keen to take bilateral ties i rward.

[Alatas] We would like to continue the things that we have been doing with the previous government and all the good things that we have been doing and further strengthen and deepen our relationship in many fields. I am sure that with Mr. Downer we will be able to talk about a lot of things that we can do together.

[Maher] Mr. Downer has already made it clear that the new government will continue to have an 'Asia first' policy. Do you think that those statements will clear any misperceptions, misconceptions about the new government and where it intends to head policy-wise?

[Alatas] Well, to be frank it never .... [pauses] We never suffered under misperception in the government. There was a lot of writing in the press, but we knew that foreign policy in Australia was, by and large, a bipartisan thing, and we were sure that the lines that were laid out, the foundations that were established under the Labor government would be continued, by and large, by the new government, including this close cooperation with Asia.

[Maher] In opposition, Alexander Downer, during a speech delivered to an Amnesty International conference, signaled that a coalition government would take a tougher stance with Indonesia over human rights issues. Just last week, however, in his first major foreign policy address as minister, Mr. Downer said he would not be engaging in so-called megaphone diplomacy on the vexed matter of human rights. Ali Alatas says he fully expects human rights to feature in his discussions with his new Australian counterpart.

[Alatas] You know our position. We never shrink away from talking about human rights between governments. That is what, I think, the Charter of the United Nations wants us to do — to cooperate with one another in the promotion and protection of human rights. So, there is no problem there. We will certainly talk about human rights. We will talk about East Timor for sure, but that is something that we have been doing for years now. [end recording]

## Indonesia: Minister Notes Japan's Concern About 'National Car Program'

BK1704063296 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 17 Apr 96

[FBIS Translated Text] Indonesia continues to adopt a consistent economic policy by implementing its economic deregulation while adhering to the principles of AFTA [ASEAN Free Trade Area], APEC, and WTO. Speaking to reporters in Jakarta yesterday, Industries and Trade Minister Tunky Ariwibowo said he had briefed Japanese Government officials on Indonesia's economic policy, including its national car program, during his two-day visit to Japan on 9-11 April.

Commenting on Japan's concern regarding the national car program, Minister Tunky said Indonesia is always ready to discuss the issue in order to resolve any differences of opinion. The meeting of the two countries' senior officials will determine whether a request by that country will be granted. Minister Tunky added Indonesia does not want to enact any regulation that may reduce foreign investments in Indonesia. Speaking on the possibility of exporting the national car, Minister Tunky said the government hopes that Timor Putra Nasional Co. Ltd will be able to export automotive components so the company can join the overseas automotive assembly system.

Indonesia: Daily Expresses Concern Over Declining Level of Exports

BK1604140096 Jakarta KOMPAS in Indonesian 16 Apr 96

[Editorial: "That the Level of Exports Is Already Worrisome is a Most Assured Fact"; passages in italics published in English]

[FBIS Translated Text] Indonesia is no longer the rising star but has instead become the falling star as far as the synergy of its exports is concerned. The term came up during a seminar themed Industrialization and Trade Strategy To Promote Export Growth and Expansion, which took place in Jakarta in the middle of last week.

Two major speakers during the seminar were Professor Sanjaya Lall, an economics lecturer at Oxford University, and Dr. Kishore Rao, a researcher from the Service Group Inc.

Why the rising star has now become the falling star was clear in a news report published by the daily on Friday (12 April). Between 1980 and 1993, the growth rate of Indonesia's exports was the highest among Asian countries. The situation changed after 1993, when exports began to decline. They are now at the lowest level of countries of the "same class" such as Thailand, China, and Malaysia or even India and the Philippines.

The situation is partly attributable to our overdependence on labor-and natural resource-intensive commodities. Our export commodities lack technological content and do not rely heavily on skilled workers. Not only do such commodities have a lower added value, but they could also easily lose competitiveness.

In 1992, Indonesia's exports of commodities were below those of Malaysia, Thailand, South Korea, and China and only one step higher than India's in terms of their technological content. In 1980, Indonesia was ahead of South Korea, China, and India. The percentage of the use of skilled workers in Indonesia is the lowest among all the countries.

On the other hand, various practices that undermine the competitiveness of exports continue. Prof. Shivpuri, an UNCTAD management consultant, who was a panelist at the seminar, said businessmen need to spend at least 10 percent of their export and import turnovers for bureaucratic levies. The levies reach U.S. \$8.6 billion annually.

According to Prof. Sanjaya Lall, Indonesia should be concerned at the declining growth of the country's exports since 1994 in view of the background of the situation.

Since the end of the 1980's, several national economists have predicted the situation that we are facing now. For example, we have long questioned the real situation and how we should implement the industrialization program.

The debate over the need for us to have reliable export industries continues. We have repeatedly criticized the structure of our industries because the majority of them are comprised of industries relocated from other countries. Such industries will be easily relocated if their existence here is deemed no longer profitable. For example, we rely on textiles as the main foreign exchange earner. In reality, not only is the structure of our textile industry not strong — we call it just an industry manned by tailors — but it is also a kind of industry that can easily lose competitiveness.

For example, higher wages would have a direct, major impact on the competitiveness of the textile industry because it is labor-intensive. We are fully aware that it is impossible for us to keep relying on low wages to be competitive.

The mastery of technology has also been repeatedly raised primarily because of the fact that the transfer of technology from foreign partners is not proceeding as expected. The issuance of Presidential Decree No. 2/1996 on the Policy on the Development of the National Automotive Industry has this in view. After almost two decades of protecting the automotive industry, we have "nothing" other than the ability to trade in foreign-made cars in the domestic market.

Despite making the aforementioned points, we have no intention at all of belittling the hard work of foreign experts studying Indonesia's potential commodities and their "courage" to disclose the problems openly. What they have disclosed has in fact reinforced our conviction that our current concern is well founded.

At issue is simply how to act. We are fully aware that there will be a negative impact if the situation does not change.

The swelling current account deficit has not only been caused by growing imports but also by declining exports.

A deeper study will show that the swelling imports have been very likely caused in part by the weak structure of our industries and their failure to support the growth of exports.

Obviously, what we need is quick action to overcome the concern over the future of the national exports. We are racing against time. The current, very strong competition in the international market is almost likely to be ever stronger in the next 5 to 10 years.

We will probably face ever bigger difficulties if we delay taking action.

In reality, it is sometimes not easy for us to do what we want to do. Objectively speaking, it is indeed not easy to overcome the current problems. Efforts to strengthen the structure of our industries or develop industries that have technological content need policies that are frequently difficult to formulate. Even some sacrifices may be needed.

Experience shows that a variety of bureaucratic obstacles and levies continue to burden business circles, although we have been working hard for almost two decades to deregulate the economy. Perhaps we could use them as evidence of how complicated the problems are. As a result, it could be very difficult to find a way out.

Nevertheless, we should remain convinced of our ability to respond to the very real challenge we are facing in the economy. In the past, we proved that we always managed to overcome economic pressure no matter how serious it was. Once again, we need to take quick, immediate action before markets in the world are integrated.

#### Laos

## Lao Official, UNHCR Envoy View Refugee Resettlement Agreement

BK1604105196 Bangkok THE NATION in English 16 Apr 96 pp A1, A2

[Report by Rita Patiyasewi and Kunlachada Chaiphiphat]

[FBIS Transcribed Text] The United States and Laos have agreed in principle ω enhance a rehabilitation programme for Lao returnees, according to an informed source.

The agreement, reached at a meeting of senior officials from Thailand, Laos and the United States, has paved the way for Washington to begin its "extended" resettlement interviews of some 6,000 Lao refugees still living in Thailand.

However, the fate of those who fail their interviews remains in doubt.

Under the agreement, Washington is to operate a programme for Laos considered "vulnerable cases" — those needing special attention while reintegrating with society — said the source, who asked not to be named.

Lao officials said details of the US assistance must still be worked out. The current repatriation programme for Lao refugees is financed mainly by the United Nations High Commissioner for Refugees (UNHCR) and the European Union.

The US Embassy in Bangkok on April 1 officially announced the extended resettlement interviews at the Napho and Sikhiu refugee camps. Refugees who do not wish to resettle in a third country must submit a statement acknowledging that they understand they must return to Laos, according to the announcement.

However, the UNHCR regional representative in Thailand, Ruprecht von Arnim. said earlier that those remaining after the interviews will require another screening to determine whether they need special protection from political persecution.

"I think the Thai authorities will conduct a kind of screening to determine whether these people have grounds to fear persecution and need special protection," you Arnim added.

This will only happen after the US completes its interviews, which will continue from April until October. He estimated that about 20 cases will need special protection.

By June this year, the UNHCR will begin assessing the impact of the US offer of repatriation, he added.

Von Arnim warned authorities involved against implementing any schemes to discourage refugees from staying in the camps, such as reducing their basic amenities. He said the camps' residents have refugee status and cannot be forced to return against their will unless their fears of political retribution are proven groundless.

The camp residents are regarded by the UNHCR as prima facie refugees — those fleeing to Thailand before the 1989 cut-off date who were granted automatic refugees status.

The UNHCR-sponsored repatriation of refugees, which began in 1989, ground to a stop last March after the US Congress called for an increase in the number of Vietnamese and Laotian refugee- settlers.

"As long as it is a happy and durable solution, we will always welcome it," von Arnim commented, adding he hopes America's new offer will be flexible enough to allow the resettlement of a large number of refugees, most of whom are Hmong and live in large families.

"One of our concerns is that the fresh offer will lead to splitting up of families," von Arnim said.

There might be cases in which the children want to start a new life in the US, but their parents fear losing their cultural identity. Some might not be able to cope in a new life without their family, he said. "My hope is for entire families to go."

He stressed the importance of considering the long-term effects of all decisions concerning the refugees.

A Lao official, who asked not to be named, said Vientiane was unhappy that its officials would not be allowed to be present during the interviews. The process will be conducted in both camps by US and Thai officials only. The UNHCR will simply provide a list of refugees eligible for interviews.

Von Arnim said he was assured that the criteria for people eligible to go to the US would be flexible.

"Any links with the US will be possible (to include for consideration)," he said.

Drug addicts and refugees infected with HIV/Aids will not be eligible for repatriation, except those living at the Wat Tham Krabok drug rehabilitation centre in fear of repatriation.

Von Arnim said it would take about six to eight months to screen the estimated 2,000 remaining refugees. There was enough room in Laos to accommodate all if they wished to return home, he said.

## **Philippines**

Manila Preparing for May APEC Meeting in Cebu BK1604102196 Manila PNA in English 1054 GMT 15 Apr 96

[Report by Manuel S. Satorre, Jr. — received via Internet]

[FBIS Transcribed Text] Cebu City, April 13 (PNA) — Massive preparations are being undertaken for the holding of a meeting of the Asia-Pacific Economic Cooperation (APEC) at the Shangri-la Hotel in Lapulapu City May 16-20 this year.

According to Cebu District Customs Collector David S. Odilao, Jr., lawyer George M. Jereos, Customs Director for the Police who will head the Philippine Delegation to the 1996 APEC Subcommittee on Customs Procedures Conference (SCCP) was in Cebu to brief district of the bureau's participation in this international event.

He also asked the district to play a major role in the hosting of the foreign delegations to the Cebu conference in May, Odilao revealed.

One of the working committees of APEC is the Committee on Trade and Investment (CTI) under which the Subcommittee on Customs Procedures (SCCP) is one of its subcommittees.

According to Odilao, the SCCP has been created principally to harmonize customs procedures to facilitate trade and investments in the Asia-Pacific region.

Odilao said rapid expansion of trade and investment in Asia and the Pacific has given rise to trade conflicts within the region.

Tariff and other traditional trade barriers are institutionalized among the countries in the Pacific basin.

If allowed to remain, he said multilateral mechanisms for the promotion of trade and investments will be impeded.

This, despite the growing regional pluralism of economic and political capabilities that calls for collective leadership, he added.

By far, he said the Asia-Pacific region is the most dynamic component of the world economy.

It has grown faster than any other region in the past 30 years, he said.

Its share of the world trade output has been rising steadily and this is likely to continue in the decades ahead, he added.

But Odilao said despite the region's collective economic achievement, it has not developed intergovernmental institutions — both in economic and security dimensions — to foster and sustain progress.

Europe, he said, has its European Economic Community (EEC) and the Western European Union; the Atlantic, its NATO and the Organization for Economic Cooperation and Development (OECD); and the Western Hemisphere, its Organization of American States (OAS), the Rio Treaty, and the North Atlantic American Free Trade Agreement (NAFTA) that extends throughout the hemisphere.

According to Odilao, there is a need for an intergovernmental organization to promote regional trade and investment in Asia and the Pacific.

This is the reason APEC was created in 1989 and initially formed by 13 countries in the Pacific Basin he revealed.

By 1995, he said the membership rose to 18 including the three Chinas (Republic of China, Taiwan, and Hong Kong).

He said APEC has since served as an informal forum where the small economies in the region can interact freely and equally with the big economies of the west.

The objective, he explained, is to find politically acceptable ways of reducing trade and investment barriers in

the region without discriminating against the rest of the world.

He said the Bureau of Customs has been tasked to participate in the process and help come up with policies that will remove the barriers and promote more trade and investments.

According to him, the 7th Collection District of the bureau based at the Cebu port is now helping in the preparations for the May meeting in Lapulapu City and make the stay of delegates as comfortable and as memorable.

#### Philippines: Ramos Warns MILF Against Attacks on Government Forces

BK1604104896 Manila BUSINESS WORLD in English 16 Apr 96

[Unattributed report - received via Internet]

[FBIS Transcribed Text] The government may abandon plans for peace negotiations with the Moro Islamic Liberation Front (MILF) if it persists in staging attacks against government forces and personnel. Speaking during inauguration ceremonies for 147- kilometer Parang-Malabang Road, which links Marawi City with Cotabato City, Mr. Ramos yesterday hinted of stronger measures to meet continuing MILF belligerence. "The government has always kept an open window for peace and we are prepared to talk peace with recognized groups," Mr. Ramos said, "But the commitment to peace cannot be a one-way affair. I serve fair warning to those who pursue their plans to terrorize the people, especially the innocent civilians," he continued. "While the government has held the olive branch of those who sincerely desire peace, development and progress for Mindanao, we will not tolerate any provocation that undermines the integrity of government and hampers the achievement of the people's desire for progress."

## Philippines: Government Expected To Deploy CAFGU's in Mindanao

BK1704021796 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 16 Apr 96

[FBIS Translated Text] Orville Gabuna, PNP [Philippine National Police] Recom [Regional Command] 9 commander has admitted that more bombings are expected in Zamboanga. He added that the police have strengthened security in the area to alarm the suspects. The government's inadequacy, however, hinders its capability to identify the groups responsible for the bombings.

Meanwhile, Malacanang has hinted that he supports a proposal to retrain former members of the CAFGU [Citizen's Armed Forces Geographical Unit] that are to be deployed in Mindanao. According to Executive Secretary Ruben Torres, Malacanang is ready to release P[peso]60 million to train 4,000 CAFGU members.

[Begin recording] [Torres, in English] I think the deployment of forces there, enough material, will deter (?already) these groups from committing further terrorist bombings and attacks.

[Unidentified correspondent, in English] Sir, how is the situation there? [indistinct passage]

[Torres, in English] Their [preceding word in Tagalog] response there, is that they are under control and at the moment we can beef up our forces in the (?said) areas. I think the peace and order can be restored fast. [end recording]

The Senate defense committee, lead by Senator Orlando Mercado, has expressed support for the proposal. According to Mercado, he is ready to convince his fellow senators to expedite release of budget for the training of the CAFGUs.

[Begin Mercado recording] I believe it would be false economy to withhold the CAFGU expenditure now. We will spend more if there is a large confrontation, or if combat ensues between the Armed Forces and the rebels, the MILF [Moro Islamic Liberation Front]. I think the best thing to do now is to support them and try to prevent the outbreak of what would be a costly battle between the two forces. [end recording]

#### Philippines: Reports of Ramos Shortlisting Successors 'Premature'

BK1704062696 Quezon City Radio Filipinas in English 0230 GMT 17 Apr 96

[FBIS Transcribed Text] Malacanang yesterday called premature reports that President Ramos has narrowed down his list of the anointed one to House Speaker Jose De Venecia and Defense Secretary Renato De Villa.

Executive Secretary Ruben Torres said the president's list of presidential candidates is hardly limited to the two as claimed by Lakas [ng Bansa — Power of the Nation Party] Representative Rodolfo Albano of Isabela. Asked how Albano could have concluded that there is already a short list and only the two are on it, Torres replied and we quote: why was it Albano you asked, ask the president. It could be just an idea he may have been speculating, unquote. The president has said that he is making a list from where he would draw the candidate he wants to succeed him. The next president should be like him, a workaholic and dedicated to public service, he has said.

On the report inevitably of the breakup of the coalition between Lakas with the Laban [ng Bansa — People Power Party] Torres said, and we quote again, we really want the coalition, unquote, to ensure the passage of the common legislative agenda forged by the two parties. [sentence as heard]

#### Philippines Article Discusses Likely Successors to Ramos in 1998

BK1604105896 (Internet) The Journal Group WWW in English 13 Apr 96

[This web page publishes material from four daily newspapers and a weekly magazine put out by the "The Philippine Journalists, Incorporated (PJI), also known as The Journal Group." The dailies are THE PEOPLE'S JOURNAL, THE PHILIPPINE JOURNAL, THE PEOPLE'S JOURNAL TONIGHT, and THE PEOPLE'S TALIBA. The weekly is the WOMEN'S JOURNAL; report by Fernando Cariaso]

[FBIS Transcribed Text] FVR [Fidel V. Ramos] 'anointed' in 1998 down to Speaker, de Villa? Lumauig [Lakas ng Bansa — Power of the Nation spokesman Gualberto Lumauig] also assured that the president will not renege on his promise not to seek a second term in 1998. The Constitution provides for a six-year presidential term with no reelection.

Speaking before reporters at the weekly Congress Forum at Rembrandt Hotel in Quezon City, Lumauig said: "President Ramos will adhere to the Constitutional mandate barring presidents from aspiring for a second term."

He said the president and the ruling Lakas-NUCD [Lakas ng Bansa — Power of the Nation-National Union of Christian Democrats] wants either Sen. Leticia Ramos-Shahani or Sen. Franklin Drilon to be the running-mate of the party's standard bearer.

Lumauig admitted his announcement was the first public admission of the ongoing party selection between de Venecia and de Villa.

"This is the first time that the party issued an official announcement following speculations raised on who among the Lakas members will be the anointed one," he said.

Lumauig said de Venecia has the inside track compared to de Villa since he is the Lakas secretary general.

"With de Venecia at the helm, the president is assured that de Venecia will continue the present economic program of the government," Lumauig said.

De Villa, on the other hand, is also being considered because of his military background and other credentials similar to the president, according to Lumauig. He added it is still a toss-up between Shahani and Drilon for the vice presidential slot.

"President Ramos wants a new face with good background and track record like Drilon," he explained.

At the moment, Lumauig said, the party is not interested in having a guest candidate for vice president.

He was referring to reports that Senators Vicente Sotto and Gloria Macapagal-Arroyo of the Laban ng Demokratikong Pilipino [Struggle of Filipino Democrats] were being considered for the slot.

### Thailand

## Thailand: U.S. Environmentalists' Bid To Ban Shrimp Import Viewed

BK1704042596 Bangkok BANGKOK POST in English 17 Apr 96 p 17, 22

[Report by Somphon Thapanachai]

[FBIS Transcribed Text] The US Commerce Department's appeal to American courts is likely to fail in a bid to postpone a ban on sea shrimp imports from 56 countries to May 1997 instead of this May, said an official from Thailand's Commerce Ministry.

The official, who ask not to be named, said the message was provided by a lawyer hired by Thailand.

The refusal to postpone the ban will therefore affect sea shrimp exports from Thailand. If the ban is imposed in May, it will affect around 5,000 million baht worth of Thai sea shrimp exports to the US.

However, the source is optimistic the US Commerce Department will introduce measures to prevent huge damage to exporting countries.

The "International Trade Court" of the US ruled as proposed by the Earth Island, a powerful environmental group, to ban imports of sea shrimp from 56 countries which are accused not to use special devices to protect turtles.

The court procedure on the matter has not been finalised. There's little hope the court would rule in favour of Thailand despite US administration attempts to delay enforcement of the ban, the source believed.

Thailand's Fishery Department has sought for cooperation from other ASEAN countries to have the US resolve this problem for Thailand.

Thailand planned to raise the issue to the World Trade Organisation (WTO) requesting bilateral negotiation under the WTO's Dispute Settlement Body.

But the Thai private sector is unlikely to support a government move to seek cooperation with other ASEAN members because Thailand is the only country that has a law to protect turtles and encourage the breeding of turtles.

Thailand is the biggest exporter of sea shrimp to the US market.

The Foreign Trade Department source said Thailand will seek another round of negotiation with the US to extend a deadline to install Turtle Excluder Device (TED)s on shrimp farms, five months from the enforcement date.

The US has given three years for 14 countries in the Caribbean to install equipment as some have already installed TEDs.

Pracha Charutrakunchai, director general of Foreign Trade Department, earlier said Thai exporters of farmraised shrimp are able to continue exporting after May by guaranteeing that their products are fished from farms.

Thailand says 90% of its shrimp exports are raised in farms.

Mr Pracha said the department submitted information to the US Embassy on March 28 to show Thailand operates projects to conserve turtles.

The Agriculture and Cooperatives Ministry has banned the fishing of turtles for years, while the Commerce Ministry also bans turtle exports, he said.

# Thai Official Says EU's GSP Review Favorable for Exports

BK1704042196 Bangkok BANGKOK POST in English 17 Apr 96 p 28

[Report by Somphon Thapanachai]

[FBIS Transcribed Text] The European Union's decision to review its sensitive list of farm products and to delay the new Generalised System of Preferences (GSP) will benefit Thailand, according to Pracha Charutrakunchai, director-general of the Foreign Trade Department.

The EU is expected to delay introducing the new GSP, which offers tariff reductions to developing countries, by one year, until July 1997.

As a result, some Thai products that had been dropped from the original GSP-eligible list may now be restored to it, Mr Pracha said yesterday.

The EU has categorised the farm products it wishes to protect on three lists: sensitive, semi-sensitive and very sensitive. Farm products on the sensitive list will be granted tariff reductions of 30%. Those on the very sensitive list are eligible for tariff reductions of 15%, those on the semi-sensitive list receive 65% reductions, and those on the non-sensitive list can be imported tariff-free.

Thailand had asked each member of the EU to support its proposal for a review of the new GSP for agricultural products, which had been approved by the European Commission.

The programme is now being considered by individual EU members, but it could be amended based on information from EU members.

Thai Commercial Counsellors' offices based in individual EU countries have been lobbying governments to continue granting GSP to farm products imported from Thailand.

Thailand argues that its farmers are still considered poor, with per capita annual income of only US\$426.

Mr Pracha also said Thailand had asked the EU to review its withdrawal of GSP privileges from other product groups including seafood and cut flowers. The EU declined to do so but said it would consider maintaining GSP benefits on particular items.

Thailand also asked the EU to put it on the list of countries that receive special GSP privileges in recognition of their efforts to curb drug trafficking. The list includes South American countries such as Colombia, Bolivia, Ecuador, Peru and Venezuela. Thailand argues that it has taken similar measures.

The EU responded that the GSP privileges granted to those countries were temporary and could be withdrawn at any time. However, it said it would recognise movement by Thailand in cracking down on drug trafficking.

Ultimately, Mr Pracha said, Thai farm-product exporters must increase their competitiveness in world markets so that they will not need to depend on GSP benefits from developed countries.

#### Thai Envoy on Investment Opportunities in PRC

BK1604111096 Bangkok ZHONG HUA RIBAO in Chinese 12 Apr 96 p 8

[Report by Correspondent Huang Zhenzhong from Beijing]

[FBIS Translated Text] Thai Ambassador to China Sawanit Khongsiri told ZHONG HUA RIBAO that the number of Thai and Chinese tourists travelling to each other's country have risen significantly last year. About 500,000 Thai tourists visited China in 1995, while

380,000 Chinese tourists came to Thailand, increasing 20 percent and 45 percent respectively, compared to the previous year.

He said about 200 million Chinese citizens have the economic means to travel abroad. So, the number of Chinese visiting foreign countries is also rising. Of course, most Chinese tourists want to visit the United States. However, since it is a long, and expensive journey, most choose to visit countries in this region such as Singapore, Malaysia, and Thailand.

Touching on investment in China, the Thai ambassador said China is trying to adopt a open and free economic system as it is aiming for membership of the World Trade Organization. He hoped Thai investors would take this good opportunity to invest in tourism proejcts such as hotels and Thai food restaurants for Thai tourists visiting China.

He said China has opened its door to foreign investment. So, Thai businessmen should take this opportunity to invest in China. It will not be easy to do this 10 years later when there is large-scale investment. To look after foreign investment, the Chinese Government is adopting investment protection laws and an international legal system.

At present, Thai investors have invested in as many as 2,000 projects worth \$4 billion dollars. The Zhengda [called the Charoen Phokkhaphan in Thailand] Group has the highest investment there, with investments in all provinces excerpt the Tibet Autonomous Region and Qinghai Province. Its investments are not only in pig and chicken raising but also in motorcycle production, a brewery, and electronics. The Zhenda Group, which is widely known in China, began investing here a long time ago while others were still hesitant.

Sawanit praised China's wisdom for turning a weakness into a strength. People believed China's population of 1.2 billion was an obstacle to economic development. However, that is really a big market, which every investor wants to enter into. So, China can take this opportunity to select the best products in the world. Germany's Daimler Benz, the world's best car producer, has set up a joint venture in China. For example, if some 50 million Chinese become rich, they will buy Mercedes Benz cars. Also, Boeing, the famous Boeing aircraft manufacturer, has offered to train Chinese pilots and send training equipment there. This is because their prospects in this big market are good.

Sawanit also cited a prediction by some analysts that China will become a world economic power in the next 25 years. To cope with this, he thinks Thai citizens should try to learn more about China. They need to

known more about and speak the Chinese language if they want to have a better understanding of China.

He said that he set a target — the realization of a joint project to produce Chinese language specialists by Thai and Chinese universities during his tenure. His other goal is to have the high schools teach Chinese. This will enable students to have a better linguistic foundation.

Sawanit hoped that the Hua Chiao Chaloem Phrakiat University, led by Uthen Techaphaibun, chairman of the Overseas Chinese Foundation, will become a center in producing those with Chinese language ability. He also hoped that the third-year Chinese majors at Chulalongkon and Thammasat universities can study at the Beijing University for one year to learn Chinese tradition, culture, and idioms.

Meanwhile, he said Thailand decided to set up a Thai study center at the Beijing University when Prime Minister Banhan visited China in March. This is for Chinese students who want to understand Thai culture and history.

He also hoped that Thailand can set up another center at the Guangzhou University, in southern China when both countries celebrate the 25th anniversary of diplomatic ties.

Thailand: Cambodia's Ing Huot Comments on Ties BK1604110296 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 16 Apr 96 p 2

[Report by Nutsara Thaithawat]

[FBIS Transcribed Text] Ties are good and no problems remain between Cambodia and Thailand, according to Cambodian Foreign Minister Ing Huot.

During his recent visit to Thailand he mentioned periodic spillovers from the ongoing dry-season offensive between Phnom Penh and the Khmer Rouge, and minor border incidents, "but overall, everything is good".

Relations between Bangkok and Phnom Penh, often turbulent following the signing of the Paris Peace Agreement in 1991 ending 12 years of war in Cambodia, are firmly back on track.

"If we compare the past two to four years when our relations were mainly political, beginning last year we added the cultural element, Thai official assistance which helped a lot, and now we're talking business," said a Thai Foreign Ministry source.

"We've reached the stage when we can diversify our ties," the source said.

Cambodian ambassador to Thailand Eng Roland agrees. "We want to trade," he said, adding his government's priority was to clear as much as possible the area along the 824-kilometre common border to open checkpoints for trade.

Unofficial trade at two checkpoints, Hat Lek-Ban Pak Khlong (linking Trat and Koh Kong) and Khlong Luk-Poipet (linking Sa Kaeo and Banteay Meanchey), is estimated to be worth billions of baht.

The two governments agreed in 1994 to upgrade the status of Hat Lek-Ban Pak Khlong from temporary border crossings to permanent checkpoints, and the same for Chong Chom-O Smach (linking Surin to Preah Vihear) late last year.

However, they remain temporary crossings in practice, as the Cambodian side is still to work out its immigration and customs procedures, and to resolve the security problem as a result of fighting with the Khmer Rouge and banditry.

Importance has been given to the three checkpoints because of the poor infrastructure in the war-torn country. It would be more cost effective to import construction materials, consumer products and other basic supplies from Thailand, than elsewhere, for the reconstruction of western provinces in Cambodia.

The Khmer Rouge is no longer a thorn in the relations, Mr Ing Huot said, repeating the Cambodian government's position that the guerrillas were an internal problem to be resolved soon.

The same ministry source said there has been no official complaint of Thai support for the Khmer Rouge since last year, "only through newspapers". These allegations are later denied by senior Cambodian government officials.

During an interview with INSIDE INDOCHINA, Mr Ing Huot expressed satisfaction that his Thai host and counterpart M.R. [Mom Ratchawaong] Kasemsamoson Kasemsi had agreed to his request to help with the integration of the largest group of Khmer Rouge defectors in Kompong Speu province.

Thai ambassador to Cambodia Domdet Bunnak said most of the defectors were women and children. There were 300 guerrillas and 1,300 dependents from a stronghold in Oral district, according to REUTERS.

This marks the first time that Thailand has agreed to assist the Cambodian government with the integration of Khmer Rouge defectors. Mr Domdet said it was the first time that Phnom Penh had made a request.

The same ministry source said Thai experts working at a development project in Phnom Penh could be sent to help work out a plan for the development of the former Khmer Rouge stronghold in nearby Aoral district. However, the source said Thailand did not have much money.

Mr Domdet said M.R. Kasemsamoson agreed to help raise funds from the international community.

REUTERS reported that the United States has contributed US\$300,000 in humanitarian aid, including clothing, shelters, cots, sleeping mats, cooking utensils and tents, weighing a total of 23 tons, to the Khmer Rouge defectors in Oral district.

The Thai government and especially the Thai army have carefully stayed away from military cooperation with Cambodia and Khmer Rouge issues.

A number of countries, such as Indonesia, Australia, the U.S. and France have assisted in the reform of the Cambodian army, while Thailand has kept to providing non-lethal aid, such as uniforms and demining.

The Thai army agreed at the first meeting of the Thai-Cambodian General Border Committee last November in Bangkok to build barracks for the Cambodian army in Battambang province. The Cambodian army agreed to a longstanding Thai army offer to train 50 officials in rural development.

A source at the Cambodian Ministry of Foreign Affairs and International Cooperation said the setting up of the Thai-Cambodian Joint Commission, which met for the first time in 1994 in Phnom Penh, and the three-tier border mechanism had contributed greatly to better mutual understanding.

The same Thai ministry source said although the border mechanism began slowly because of the reform of the Cambodian army and a lack of funds to set up border coordinating offices and buy equipment, dialogue has expanded from complaints of spillovers to general cooperation to ensure peace and order along the common border.

The Thai army has provided communications equipment to help coordination.

On trade and investment, Mr Ing Huot told M.R. Kasemsamoson during his visit that Cambodia had finally ratified an agreement to protect and promote Thai investment, signed last year.

"All controversial Thai investment in Cambodia has been settled amicably, and the Cambodian government has welcomed the latest \$15 million investment by CP [Charoen Phokkhaphan] Group," the same source said.

First Prime Minister Prince Norodom Ranariddh said the CP Group project to raise poultry and pigs was important to the development of Cambodia. Unlikely to affect ties is a recent report that the Cambodian government has signed contracts with 17 Thai companies to export more than one million cubic metres of felled logs, while records at the Agriculture Ministry indicate there are only just over 300,000 cubic metres.

A source in Phnom Penh said all 17 companies had legal contracts from the government.

Last year, Thai official assistance to Cambodia totalled 40 million baht.

This year, three major projects will be undertaken: a royal-initiated project in agriculture in Phnom Penh, worth 30 million baht, an occupational training centre in Pun Phnum, north of Pochengtong airport, worth 80 million baht, and the main wing of the Preah Sihanouk Reach Hospital in Phnom Penh, of which the cost has to be evaluated. This is on top of the annual 200 scholarships.

However, a challenge to improved ties will come soon when the two countries host their second joint commission meeting in Bangkok in June and have to tackle remaining issues.

Land demarcation has not yet been raised, owing to ongoing fighting, while maritime delineation remains in a deadlock with Cambodia insisting on agreement on joint development of petroleum resources in the overlapping area in the Gulf, and Thailand insisting on determining the side of the overlap first.

Prime Minister Banhan Sinlapa-acha is expected to pay an official visit to Cambodia in June further strengthening ties.

## Thai Daily Views Burma's Attempts To Stabilize Kyat

BK1604105596 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 16 Apr 96 p 1

[Report by Nutsara Sawatsawang from Rangoon]

[FBIS Transcribed Text] State-created foreign exchange certificates are taking on increased credibility and popularity as the Burmese Government tries to standardise the value of the kyat.

However, the government is still far from narrowing the gap between the official and black market exchange rates.

Bankers and businessmen in Rangoon said the unofficial exchange rate has been stable for the past few months—between 122 and 124 kyats per US dollar—compared with 100-200 kyats in the past. The official rate is about 5.5 kyats.

The stable rate followed the setting up last December of a foreign exchange centre that freely issues exchange certificates.

The government allows its people to own the certificates, each equal to one dollar. At the same time, it is trying to bring all currency into the controlled system, one businessman said.

The certificates, created in 1993, meet a demand from Burmese nationals who are all prohibited from holding US dollars.

At the centre, 10 counters handle the sale and purchase of the certificates in kyats. US dollars and possibly other hard currency can be legally converted into the certificates. Many money changers are also licensed to operate the service.

Bankers and businessmen say the centre was set up to eliminate the black market for currency exchange and to control money in circulation. Therefore, a true commercial exchange rate in the market can be achieved quickly.

Finance and Revenue Minister Brig-Gen Win Tin said the centre was an important step toward a marketoriented economic system in Burma's financial sector.

It is proving effective to some extent as shown by the stable kyat. Although the rate climbed to 126 kyats/dollar during the water festival last week, an observer suggested it would drop to normal level within two weeks.

This contrasts with previous wide fluctuations, caused by the peak and low tourism seasons, bidding for purchase of confiscated trawlers, the flow of foreign aid, and the unusual closure of borders with Thailand by the military government last year, according to a businessman in Rangoon.

The kyat used to be strong at 103 kyats/dollar during the tourism season, but weakened when large sums in dollars were required to buy the trawlers, he said. When the borders were closed the rate climbed to 200 kyats/dollar.

The exchange certificates have gained acceptance by goods suppliers and purchasers. A local resident who runs a family business said that whenever he got the certificates in the past he used to sell them at once because local shops did not accept them. "But now I can buy a mobile phone worth \$5,000 with them."

The certificates used to have limited use. They were created for foreign visitors who were required to exchange \$300 on arrival at the airport. The certificates were accepted only by some service sectors such as hotels and restaurants where foreigners were the main customers.

A teller at the exchange centre said the certificates were so popular her both changed the equivalent of two million kyats a day.

However, the centre benefits only those who can afford to buy goods at market prices. Most people, mainly civil servants, still suffer.

Civil servants earn their salary at the official rate, starting from about 1,300 kyats (\$11) for a new graduate to a maximum of 2,500 kyats (\$22) at director-general level. A private secretary earns two or three times the top rate.

Civil servants benefit from state subsidies to some extent, such as free housing and cooking oil. But the cost of a mobile phone equals 220 months' salary at their top pay rate.

Adjustments to bring the official rate into line with the black market rate are essential if Rangoon wants to restore and maintain macro-economic stability, according to the World Bank.

"Postponing that adjustment is likely only to delay the resumption of sustained growth of the Burmese economy and, therefore, would impose large economic costs in terms of foregone output," it said.

The bank said the overvaluation of the kyat had reduced the country's revenue from imports in the form of customs duties and commercial taxes, compared with the amount it would have received if the exchange rate was realistic.

The overvaluation could also create more illegal economic activities, limiting the authorities' ability to collect tax and duty.

A complex system of cross-subsidies compounded the problem. The prices of rice, electricity, petroleum products and fertiliser are officially set.

Changes to the exchange rate would increase revenue by about 105 billion kyats, the bank said. Burmese policy makers knew this well but were reluctant to take this step in case it case it worsened inflationary pressure.

Rangoon was also worried about external debt. Devaluation would obviously increase debt payments in terms of kyat and raise the fiscal burden substantially to about 37.1 billion kyats (at 110 kyats/dollar).

Some groups would lose as a result of the depreciation. They include those with access to cheap imports, such as many state enterprises, government officials and military personnel, according to the bank.

Thailand: Loans, Luxury Goods on Control List To Cut Deficit

BK1704062996 Bangkok BANGKOK POST in English 17 Apr 96 pp 17, 28

[Report by Chatrudi Thepharat and Parittha Yuthamanop]

[FBIS Transcribed Text] Five measures, including tighter controls on lending and purchases of luxury goods, were approved by the cabinet yesterday in a bid to slash the current account deficit and inflation.

Central bank governor Wichit Suphinit and Finance Ministry permanent secretary M.R. [Mom Ratchawong — royal title] Chatumongkhon Sonakun said two measures involved banking operations, two related to car purchases and one covered investment promotion.

Many privileges were initially extended to the Bangkok International Banking Facilities [BIBFs], which brought in a lot of funds, they said.

Profit from BIBFs has been taxed at 10% instead of the regular 30%. But individuals earning dividends from commercial banks which also operate BIBFs are able to get 30% tax credit on dividends received.

From now on tax credit on these dividends will be reduced from 30% to 10%.

Local banks will have to raise their capital fund/risk asset ratio from 8% to 8.5%, limiting lending.

As this measure took time to implement, it was likely to be effective from October 1, they said.

The ratio for first-tier funds would rise from 5.5% to 6%, while the second-tier ratio would remain 2.5%. Foreign banks will have to increase their ratio from 6.75% to 7.5%.

These measures are in addition to the Finance Ministry's decision last week to ask BIBF operators to set aside 7% cash reserves for funds brought in for lending. This requirement takes effect in two months.

Mr Wichit said banks would have to be more cautious in lending. Total credit extension had grown from 0.7% of gross national product six years ago to 1.4% and could lead to economic overheating.

He said he expected the latest measures would absorb 20 billion baht.

The Board of Investment will be encouraged to extend privileges for projects that assist stages of production such as finished semi-finished products and raw materials, as these reduce imports. Mr Wichit said the central bank would also change the way imports of capital goods were recorded as these were used for production. The adjustment would provide a more accurate picture of the economy.

Companies are now barred from claiming more than one million baht per car as a tax deductible item, and monthly car payments topping 36,000 baht as an expense.

Interest rates would continue to be dictated by market forces, he said.

Thailand: Editorial Comments on Monetary Policy BK1604140396 Bangkok BUSINESS DAY in English 16 Apr 96 p 4

[Editorial: "Fewer Trial Balloons and More Clarity Needed in Baht Debate"]

[FBIS Transcribed Text] Every now and then, trial balloons are set aloft on the issue of floating the baht. Last week was another occasion for officials to speak out of both sides of their mouths, hinting on the one hand that the baht should perhaps be floated against the major currencies — or at least that the basket of currencies to which the baht's rate of exchange formula is applied should be adjusted — while on the other hand stating that now is not the right time to take drastic measures or even to tinker with the delicate balance of supply and demand of the baht.

What makes last's week's pronouncement unusual is that the International Monetary Fund (IMF) joined the chorus of the "let's float the baht" tune, although of course no specific time-frame was indicated and there was the obligatory mumbling about doing the right time.

Some say that a not-so-hidden motive of the latest hints from the Bank of Thailand (BOT) and other official quarters on the possibility of a further devaluation of the baht is to make short-term hit-and-run foreign investors who have been in the habit of parking their savings here to earn relatively high interest rates shudder at the thought of foreign exchange rate risks. A sinking baht is not so attractive after all even if interest rates are high in relative terms.

We shall soon see if this ploy works, but in any event using trial balloons, hints and double messages does not add — and will do harm — to the credibility and international standing of our financial authorities.

One thing that all countries can learn from the highly successful monetary management style of U.S. Federal Reserve Chairman Alan Greenspan is that there is never any ambiguity in the objectives and the policies he puts on the table. Forthrightness is a powerful tool for economic management. Not everyone likes what Mr Greenspan says but they are seldom in any doubt about what he means.

Thailand, too, needs to speak in a clear and consistent voice on the objectives of increasing productivity, decreasing inflation and reducing the current account deficit. And once having spoken clearly on the objectives, the authorities need to follow through with measures that are directly aimed at producing results.

This is no time to try and be clever. Nor is it ever advisable to use outright deception by saying that the current account deficit is not a serious matter or that inflation will somehow magically disappear — if not in actual terms, then by mathematical tricks.

Honesty is the best policy if only because deceit will easily be recognized by those in a position to influence the standing of our national currency. To maintain the value of the baht, we need to use strong medicine to treat the underlying factors that lie behind the current account deficit. There is no possible substitute for such action. And the people at the helm of our economic policies have an absolute obligation to say it like it is.

## Thailand: Official Views Ability of Major Industries To Compete

BK1604141396 Bangkok BAN MUANG in Thai 15 Apr 96 p 7

[Unattributed report]

[FBIS Translated Text] Sathaphon Kawitanon, secretary general of the Board of Investment [BoI], has noted the ability of Thai industries to compete with other ASEAN countries. He said free trade within economic groupings that were formed as result of the change in the world economy has resulted in an expansion of trade and investment in Thailand. Competition has increased elsewhere in the world as well.

Within AFTA [ASEAN Free Trade Area], in which Thailand has played a continuing key role, trade will increase. This will require Thailand to accelerate its production capabilities to be able to compete. The Bol has conducted a study to compare eight of Thailand's major industries against those of other ASEAN countries to aid in a formulation of future policies and programs.

Regarding the basic factors that demonstrate a country's readiness and ability to compete, Singapore is rated first, followed by Malaysia, Thailand, Indonesia, and the Philippines respectively. Thailand ranks second in basic economic structure, human resources, financial system, management, international communication, and governmental ability. On trade with other

ASEAN countries, Thailand enjoys a considerable advantage, with the volume and balance of trade increasing every year. The trade volume in 1994 amounted to some 40 billion baht. Singapore was Thailand's biggest trading partner, accounting for 70 percent of its overall trade with ASEAN countries. Malaysia was Thailand's second biggest trading partner in ASEAN, followed by Indonesia, the Philippines, and Brunei. Thailand had its biggest trade surplus with Singapore, which resulted from its export of auto parts, plastic products, and electric appliances. Malaysia is the ASEAN country with which Thailand suffers the biggest trade deficit.

On the study of the potential of Thailand's eight major industries, Sathaphon said production by the electronics industry ranks third after Singapore and Malaysia, but its growth rate of 34 percent is the biggest. Production in the electronics industry is mainly geared for export. Only Indonesia imports more electronic products than it exports.

Thailand is the leader of the auto industry in ASEAN in production, sales, as well as parts production. It is followed by Indonesia, Malaysia, and the Philippines. Although the auto industry in ASEAN is merely in the assembly stage, Thailand is in the most advanced development stage and is heading toward mass production.

Regarding the petroleum industry, the advantage here lies in the volume of production. The bigger the volume, the lower the production costs. Thailand has already surpassed Singapore even though it began its peuroleum industry long after the latter.

ASEAN is more of a consumer than a producer in the steel industry, that is, consumption exceeds production. Thailand's volume of production is lower than those of Indonesia and Malaysia, both of which have their own raw material.

Indonesia is the leader in the paper and pulp industry. It has the third biggest forest acreage in the world. Thailand ranks second in this industry, followed by Malaysia and the Philippines. Singapore has no paper industry at all.

There is a concern that the Thai textile industry could lose its competitive potential because labor costs have increased considerably compared with those in other ASEAN countries. Indonesia has the largest number of yarn spinning and weaving machines. Thailand still leads the clothing industry in ASEAN.

It is clear that all the major Thai industries have the opportunity and development potential to lead other ASEAN countries. However, it is necessary to conduct a detailed study into the production factors to evaluate their weak and strong points to correctly formulate

development strategies. The tax structure is also a factor affecting Thailand's ability to compete. The study should not be limited to protection imposed by individual countries but should include an in-depth look at each industry to avoid obstructing that industry's ability to compete.

#### Thai Minister Outlines Foreign Ministry Goals in Annual Address

BK1604131396 Bangkok Radio Thailand Network in English 0000 GMT 16 Apr 96

[FBIS Transcribed Text] Foreign Minister Mom Ratchawong [royal title] Kasemsamoson Kasemsi has stressed the need for his ministry to adjust itself at all times in line with the changing world situation.

In his address marking the 121st founding anniversary of the Ministry of Foreign Affairs on 14 April, the foreign minister said, during the past 8 months, his ministry has played a significant role in the international arena because of the favorable political situation in Southeast Asia. He said, during the period, Thailand was successful in enhancing her relations with the neighboring countries and creating opportunities for the ten Southeast Asian nations to join the building of a Southeast Asian community. The foreign minister cited the successful organizing of the 5th ASEAN summit in Bangkok last December, participated in by the ten Southeast Asian nations for the first time, as the first step towards one Southeast Asia.

After the ASEAN summit, he said Thailand was also successful in hosting the first Asia-Europe meeting last month which reflected Thailand's great potential in various areas. The minister said his ministry plans to set up a department of consular affairs in line with the policy of diplomacy for the people. He said there are currently 1,400 Foreign Ministry officials, half of whom are stationed in 80 Thai Embassies and Consulates worldwide.

## Vietnam

## SRV General Secretary Receives Canadian Finance Minister

BK1604101696 Hanoi VNA in English 0629 GMT 16 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 15 — The Canadian Government will continue assisting Vietnam to improve its accounting and financial systems, tax policy and personnel training, speed up bilateral cooperation and encourage Canadian business people to increase investment in Vietnam.

So said Canadian Finance Minister Paul Martin to Vietnamese party General Secretary Do Muoi at the latter's reception here this afternoon.

The Vietnamese party leader expressed thanks to the Canadian Government's goodwill to promote cooperation with and assistance to Vietnam in its socio-economic development.

"The Vietnamese party and state will continue with the renovation, considering it an unchanged and longterm policy for national development," stressed the party chief.

Mr. Do Muoi asked the Canadian minister to convey his best regards to Prime Minister [P.M.] Jean Chretien and wish that the two countries will together consolidate the friendly relations, nhance the comprehensive cooperation and exchange experience relating to national development.

Also today, Deputy P.M. Phan Van Khai received the Canadian minister, expressing thanks to the Canadian Government and finance industry for their non-refundable aid and technical and economic assistance to Vietnam. He also expressed the hope that Vietnam would receive from Canada more experience in managing capital and public assets and improving accounting system, tax policy and social insurance schemes.

During his six-day working visit from April 11, the Canadian minister had a working session here today with his Vietnamese counterpart, Mr. Ho Te.

## SRV: Visiting Cuban Communist Party Leader Urges Closer Ties

BK1704063196 Hanoi VNA in English 0547 GMT 17 Apr 96

IFBIS Transcribed Text] Hanoi VNA April 17 — Vietnamese and Cuban senior officials have reiterated their two countries' loyal solidarity and friendship, and wished to see closer bilateral relationship between their two capitals.

This was expressed at a meeting held here yesterday between visiting deputy head of the Communist Party of Cuba's External Relations Commission, Mr Alberto Rodriguez Arrufe, and Secretary of the Hanoi Municipal Party Organization, Mr Pham The Duyet.

Mr Duyet, who is also politburo member of the Communist Party of Vietnam, spoke highly of the Vietnam-Cuba friendship and solidarity, describing them as an encouragement to the Vietnamese people in general and the Hanoians in particular.

Mr Arrufe, who visited Vietnam four years ago, expressed his joy at the socio-economic achievements recorded by the Vietnamese people over recent years. He said he hoped that more cooperation agreements would be signed between Hanoi and Havana so that the two capitals would serve as a bridge in the further development of the relations between the two nations.

#### SRV: Increasing ASEAN Investment in Hanoi Noted

BK1704020396 Hanoi VNA in English 1358 GMT 16 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 16 — Total foreign-invested projects in Hanoi now number 210 with combined capital of over USD 3.6 billion as against 1989 when the first four foreign-invested projects with total capital of USD 48 million were licensed.

Visitors or hanoi residents, who have returned to the city after years of being away have been surprised by the many changes that have taken place here, especially the high tempo of construction and development in recent years.

Streets are now lined with new buildings, modern hotels and restaurants, colourful advertising, etc. This can be seen as part of the success of Vietnam's law on foreign investment promulgated in late 1987.

The rise of foreign investment in the capital city and the whole country at large has been attributed partly to the country's admission to ASEAN as a full member in July 1995 as well as to the normalisation of Vietnam-US diplomatic ties also in the same month last year.

These events have served as a driving force for the immense flow of foreign investment in Vietnam from the outside world in general and ASEAN countries in particular.

ASEAN investment in Hanoi has mainly been in industry with 54 projects (30 projects implemented), posts and telecommunications with 13 projects (six implemented), finance and banking with nine projects (eight implemented), tourism and services with 54 projects, and other sectors totalling 26 projects (20 implemented).

Among the ASEAN investors, Singapore is taking the lead with investment capital worth hundreds of million US dollars. Singaporean investment in Hanoi includes the instruction of a USD 260-million commercial and idential complex in the western part of Hanoi between Ho Tay (West lake) and the Red River, Hasin International Towers valued at USD 32.2 million, a Ho Tay hotel-cum-residential project worth USD 50 million, a Hanoi commercial centre capitalized at USD 41 million, the USD 13.5 million hotel 'Hanoi Fortuna', and a USD 50 million project to build the Quang Ba national park, etc.

Malaysia has invested USD 29.95 million in building an export processing zone [EPZ] in the Noi Bai-Soc Son region where an industrial-service-tourist-residential complex, the largest in the city and also in the country, will be built under a master plan for Hanoi. This EPZ complex will attract huge foreign investment capital sources to build a system of modern hotels, golf courses, international airport and buildings for office recreational and residential uses.

In hotel service and tourism, Hanoi has won contracts to build the USD 42.775 million SAS Hotel, a joint venture between Hanoi and Thailand, and the Kim Lien Hotel valued at USD 58 million between Hanoi and the Philippines.

Hanoi has benefited a lot from foreign investment, including job generation for more than 6,000 people with a minimum monthly salries averaging USD 40-50, but the capital is also facing challenges triggered by unplanned construction.

## SRV: Premier Vo Van Kiet Returns From Visit to Laos

BK1604101896 Hanoi VNA in English 0624 GMT 16 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 15 — Prime Minister [PM] Vo Van Kiet, his wife and entourage returned here today, concluding their two-day visit to (?Laos.)

Seeing the Vietnamese PM off, Lao Prime Minister Khamtai Siphandon thanked the Vietnamese guests for having brought the Lao people fine sentiments and great support during their new year. He highly welcomed PM Vo Van Kiet's visit as a new and important contribution to consolidating and promoting the traditional friendship and cooperation between Vietnam and Laos. He also asked PM Kiet to convey best regards to Communist Party of Vietnam General Secretary Do Muoi, President Le Duc Anh, and other Vietnamese leaders.

Earlier today, Prime Minister Vo Van Kiet paid a visit to Luang Prabang Province where he took part in celebrations of the traditional Lao new year festival. He affirmed during his visit that the Vietnamese Government and people will always maintain and develop the Vietnam-Laos friendship, solidarity and comprehensive cooperation for the prosperity of each country and for peace, cooperation and development in the region.

## SRV: National Conference on Financial Sector Opens

BK1704110296 Hanoi VNA in English 0614 GMT 17 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 17 — Deputy Prime Minister Phan Van Khai praised the financial sector for its achievements for the state budget at a national meeting of the financial sector which opened yesterday in Hanoi, drawing key officials from around the country.

The three-day meeting was told that 20.3 per cent of this year's plan was collected in the first three months.

It was considered a major breakthrough, with first quarter collections being notoriously low in previous years.

It has helped boost economic development, control inflation, and stabilise the socio-economic situation, Deputy PM Khai said.

The deputy pm focused on measures to be taken to implement this year's state budget plan, and to effectively implement the new budget law recently approved by the National Assembly.

This year's plan for tax collection sets an increase of 22.7 per cent against last year's actual figures. It is an ambitious plan, with tax collections from land use licensing and from imports and exports being very difficult to achieve if active measures and tightened supervision are not undertaken.

The government is considering offering incentives to improve the revenue gathering process at a national level by increasing development investment for several cities and provinces which have a high percentage of potential tax revenue sent back to central coffers, and for provinces suffering from unfavourable conditions.

The government also is viewing the deficiencies in tax returns last year from some provinces objectively because of local difficult circumstances.

The Ministry of Finance must stick to the task, take synchronised action, and fiercely implement the task of collecting taxes.

Apart from conducting strengthened measures to avoid tax dodging, the ministry was told yesterday it should quickly make adjustments to tax rates, and amend export and import taxes in time for it to be effective.

At the same time the ministry must co-operate with relevant ministries to calculate the importance of consumer goods in the allowed structure, and ensure a balance between goods and money, meet the requirements of inflation control and contribute to the tax collection plan.

The breakdown of the collection figures for the first quarter this year showed the main contributions coming from the non-state economic sectors, agriculture land use and registration fees.

Meanwhile tax collection from state-owned enterprises and tax from imports and exports, the two main sources of revenue, were recorded at 16.2 per cent and 18.3 per cent of the year's plan respectively.

The Ministry of Finance needs to quickly finish draft decree details on implementing the budget law for submission to the government as well as working up a plan for next year's state budget.

The government also require the Ministry of Finance and the financial sector to avoid waste, losses and bribery of public investment capital.

Deputy PM Khai reminded financial staff they should set a bright example in implementing the thrift policy launched by the party and the government.

## SRV: Draft Party Political Report, Installment 11

BK1704015596 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 13 Apr 96

[Eleventh installment of draft political report to be presented by the Communist Party of Vietnam Central Committee to the upcoming Eighth National Party Congress; date not given]

[FBIS Translated Text] Part Four: Building the Party Up to the Requirement of the New Period.

All successes and shortcomings of the renovation undertaking impinge directly on our party's leadership and operation. The party's leadership and operations are decisive factors in bringing about success in the renovation. At the same time, the party has become more mature during the renovation process and clearly realizes its shortcomings and the need for remedial measures. Generally speaking, over the past 10 years, the party building work has recorded the following achievements:

- The party has outlined and gradually supplemented and perfected the renovation line in a correct and creative manner, thus better defining the path to socialism in our country. This is an important ideological success of our party and people. It is a result of a period of striving in thinking, exploring, and reviewing past realities;
- The party has confirmed Ho Chi Minh thought and Maxist-Leninism as the fundamental ideology and compass for all its actions. At the turning points of the revolution and before the complicated changes in the situation, the party quickly introduced correct directions on political ideology, rectified ideological deviations,

denounced hostile allegations, and created a foundation for ideological unity in the entire party and people.

- The party has firmly maintained the principle of democratic centralism and the principle of collective leadership and individual responsibility. It has achieved progress in the execution of democracy in the party and in the guidance for the execution of democracy in society. It has developed a collective intelligence and the combined strength of the great unity bloc among the public,
- The party has introduced positive guidelines and measures to renovate and rectify the party together with duties for socioeconomic development and the consolidation of the political system. It has revamped in one step its cadre organization to upgrade the knowledge and fighting power of the contingent of party members, thus preventing the degrading of many grassroots party organizations and improving the leadership mode and working attitude; and
- The party has conducted checks on the strict observation of the organizational principles and party activities to preserve the revolutionary integrity and morality of the party officials and members. Execution of party discipline has also improved.

However, the party building work now has some ma jor problems. In the conditions of a market mechanism, multisectorial economy, and open-door relations with other countries, party officials and members are day in and day out exposed to the influence of new and very complicated elements. Hostile forces have been attacking the party. The principle of firmly preserving the nature of the workers' class of the party is now facing new challenges. The party, however, has failed to adequately prepare itself for these major revolutionary developments. The party has not given proper attention to the education and forging of integrity and morality. A painful problem now is the absence of selfesteem among a section of party officials and members. with their ideals fading and determination dwindling and their morality and lifestyle debased. A few have become politically degenerate and, despite their tiny numbers, their activities have had negative effects. The party's knowledge and its management capacity, in some aspects, are not meeting the requirements of the renovation undertaking. Many ideological and practical issues have not been fully clarified.

Grassroots party organization are feeble in many localities. Some are even paralyzed. Their mode of leadership and their activities are in confusion, lacking both democracy and discipline. A number of party committees and party officials fail to respect and properly exercise the principle of democratic centralism while they indulge in bureaucratism, authoritarianism, jealousy, and individualism. In not a few places, internal disunity has become a serious issue. The control work over the implementation of the party's guidelines, conceptions, and resolutions has not been satisfactorily carried out.

In order to implement targets and tasks outlined by the eighth national party congress, our party must continue to renovate and correct itself, further enhance its fighting power and leadership capacity, and overcome shortcomings and weak, negative phenomena. The party must be strong from the central to grassroots levels and in all echelons and sectors. It must pay attention to the following key issues:

The party must preserve and strengthen the nature
of the workers' class of the party. This is the most
significant duty for our party at present. In the current
conditions, firmly preserving and strengthening the
nature of the workers' class of the party means that
we have to determine the goal of national independence
and socialism. However difficult the situation, we must
not deviate and distance ourselves from this ideal goal.
We must resolute and creatively apply and contribute to
develop Marxist-Leninism and Ho Chi Minh thought,
which are the ideological foundation and a compass for
our actions.

Party organizations must consolidate the principles of centralized democracy, acceptance by the individual of collective leadership, criticism and self-criticism, and maintenance of party internal unity. Party organizations should also educate and nurture the correct viewpoint and awareness of the workers class and build up the contingent of cadres in accordance with the viewpoint of the workers class. The party organizations should strengthen their close relations with the people, cultivate the all people, great unity bloc, take good care of the people's livelihood, and truly develop the people's right to mastery. We should also strengthen the international unity of the party and combine the people's strength with the strength of the modern era.

In the existing conditions of our country, the interests of the workers class are identical with those of the people. The party represents not only the interests of the workers class but also those of the people. The strength of the party relies on a flexible combination of the modern ideological theories of the workers class and our fine national traditions.

The enhancement of political acumen, revolutionary qualities, and educational standards:

Using the party platform and other party documents as the foundation, all party organizations should conduct regular study sessions on the party's lines and policies; the essential issues of Marxism, Leninism, and Ho Chi Minh thought; the fine national traditions; and new knowledge in order to guarantee unanimity in ideology in the party as a whole.

Primarily, ideological work should focus on concrete issues that require explanation, highlight the scientific nature of the theories, predict all development trends, contribute to supplementing and perfecting the party's lines and policies, and clearly define the path to socialism.

All party officials and members, especially leading officials, must have plans for regular study to upgrade their general knowledge and practical working capacity. Study is compulsory for every party official and should be institutionalized. Laziness in studying and thinking and failure to frequently acquire new information and knowledge are also signs of degeneration.

Party organizations should strive to correct deviant perceptions, vague viewpoints, indications of faltering determination, and loss of trust in socialism and party leadership. We should also criticize and reject all wrong and hostile theories. Party members have the right to express opinions within the organization and have these opinions acknowledged, but should ha all circumstances abide by all party resolutions and refrain both from disseminating viewpoints that run counter to those of the party and leaking party and national secrets.

Party organizations must deal promptly with all party officials who violate party principles and those who take advantage of democratic activities to promulgate antiparty theories. Party organizations should also overcome the situation in which a portion of party officials and members with declining standards of morality are engaged in illegally amassing wealth, corruption, smuggling, power struggling, departmentalism, officialdom, and authoritarianism.

Party officials and members should be models in improving their qualities, heightening revolutionary morality standards, and rectifying individualism. They should refrain from taking advantage of legal discrepancies and loopholes to embezzle public funds. Party organizations should regularly educate and manage their party officials and members, including those in high positions.

Regulations should be set up to clarify business activities and services for foreigners in which state employees are not allowed to be involved. Regulations should also cover accepting gifts and entertaining guests, declaration of earnings, sources of finance for land purchase and house building, especially when officials in leading positions are involved. Party organizations should investigate people who suddenly become unusually rich and have a clear polic; on the responsibilities of party officials who have spouses or children conducting illegal business activities. Regulations should also be made to determine the types of business activities that spouses and children of officials, both at central and local levels, are not allowed to engage in during the terms of office of the officials concerned. Degenerate party officials and members, regardless of their status and rank, must be subject to prompt and scrupulous discipline. Illicit patronage must be strictly punished.

## SRV: Politburo Member Discusses New Depth of Unity

963E0007B Hanoi TAP CHI CONG SAN in Vietnamese Sep 9.5 pp 3-8

[Article by Vu Oanh, CPV Politburo member: "A New Stature and a New Depth of the Great National Unity"]

[FBIS Translated Text] Great national unity is an extremely precious tradition of our nation that has crystallized from our process of national building and defense.

From ancient times to this day, Vietnam's great national unity has always carried the great idea that the people must be regarded as the foundation; that concord and unity must be used as a strength with which to fight against and prevail over enemy-inflicted destruction and natural calamities; that a variety and diversity of social structure must be tolerated; that patriotism, leniency with the people, altruism, and humanity must be upheld; that the elderly must be treated with respect and children with love; that talents must be put in important positions; and that people in misfortune must be shown compassion. Through many dynasties, this idea has become the banner of our great cause and a imperishable sacred value and advantage of the Vietnamese homeland.

For over half a century, the Communist Party of Vietnam, founded and trained by President Ho Chi Minh, has inherited and developed that tradition, and has always set great store by, strengthened, and broadened the great national unity, bringing into full play, and combining, national strength with that of socialism, and combining traditional strength with that of our time to successfully carry out the August Revolution, to take the wars of resistance to victory, to achieve national independence and reunification, and to build and defend the Vietnamese fatherland. That great achievement stems from the fact that our party pursues a correct political line, is supported by the people, holds fast to the policy of great national unity, and has at its disposal a contingent of vanguard party members who fight in close coordination with the people.

Since the advent of the party leadership, the strength of great national unity has multiplied, enabling the struggle for national independence, construction, and defense to advance from one victory to another. The lesson to be drawn form all that is this: In pursuing the revolutionary cause, no matter how difficult the situation may be, even when the fatherland is in danger, if we know how to rely on the people and put the tradition of great national unity to good account, we are bound to overcome all difficulties. On the contrary, if we ignore the people, make light of the strength of the great national unity, fall into disunity and factionalism...., we are doomed to failure. That historical reality has added even more luster to President Ho Chi Minh's great thought: "Unity, unity, great unity: success, success, great success."

At present, the Vietnamese revolution is developing in a new period—the period of continuing to strongly push forward the cause of national renovation and further advancing industrialization and modernization; the period of an open-door policy, of multilateralization and diversification of foreign relations, and of Vietnam's going for friendship with all other countries in the interest of peace, stability, and development. However, the new period is raising requirements that are both imperative and basic.

1. The world is at the end of the 20th century and about to enter the 21st century. At this juncture, the world situation is undergoing extremely diversified and complex developments. These developments have had a direct impact on our cause of national construction and defense. Thanks to the achievements of the scientific and technical revolution, the production forces have developed at an increasingly faster pace and the world is entering a new era, an era built on the strength of the microcomputer, information, biology, chemistry.... Concomitant with this is a wave of reform explosions in each nation.

At present, around the world, local conflicts, religious and ethnic wars, bloody, violent terrorist attacks, the North-South gap between the rich and the poor, famine, disease (especially the development of HIV-AIDS), the pollution and destruction of the environment ... are threatening the lives of tens of millions of people and challenging our time as a whole. This situation has given rise to new trends: the trend toward regionalization and internationalization, first of all in the economic field; and the trend toward strengthening relations between nations regardless of different social systems, relations that involve both cooperation and struggle. Following the collapse of the old-model socialist system, a number of remaining socialist countries have pursued the renovation policy and carried on the struggle for the people's interests.

Our country is integrating into the international community. We enjoy many advantages, but we are also facing tremendous challenges.

2. Implementing the party's renovative line, over the past years we have recorded very important achievements. Upon entering the new period, our party promptly discovered some mistakes in its major policies and positions and in the organization of their implementation. At the same time, our party gradually introduced measures to correct these mistakes. Beginning with the Resolution of the Sixth Plenum of the Fourth Central Committee in October 1979, our party advocated developing an economic system comprising several sectors (three sectors in the North and five sectors in the South) and decided to let production installations burst out. The real value of that resolution lay in its realistic and correct guiding concept; for this reason, it quickly came into effect in life. To begin with, we achieved a breakthrough in agricultural production thanks to Directive 100 of the party Central Committee's Secretariat on end-product contracts with labor groups and laborers. Coming next were Directive 35 on guiding the development of household economy and Directive 29 on allocating land and forests to cooperatives and households. In the industrial field, there was Government Decision 25/CP on broadening the right of state-run enterprises to take the initiative in production and trade. On the basis of reviewing realities in the country and learning from the experiences of other countries, the Sixth Party Congress laid down a comprehensive renovative line, which was later carried on, developed, and enhanced by the Seventh Congress.

The renovation process is a process of research and creation that also involves struggle, even bitter struggle at times in some places (between conservative, dogmatic thought and renovative thought). However, because the party's views conform to the people's wishes, the renovative line has expeditiously come into effect in life, has motivated tens of millions of people, has revitalized our potential, especially our potential in land and labor, and has yielded unexpected results.

For example, regarding grain production, for a fairly long time, grain output was stagnant, and the average national yield during the 1976-1980 period was 13.3 million tons/year. After that, the volume of production increased rapidly: 17.6 million tons/year during 1981-1988; 22.2 million tons/year during 1989-1992; and 24.5 million tons/year during 1993-1994. Concerning grain supply, from having to import 1 or 1.5 million tons of rice annually, today Vietnam has already become the world's third largest rice exporter. The annual export value (of agricultural and industrial products and services), which averaged a mere \$800 million during

the 1976-1980 period, has now exceeded \$3 billion (a nearly fourfold increase).

The rapid increases in grain production and export value have had a strong impact on other economic sectors, promoting the development of industry, animal husbandry, forestry, and fishery, improving the people's standard of living, stabilizing life in the rural areas, and enabling the peasantry to lead a peaceful and happy life in harmony.

The midterm National Party Congress of Delegates remarked: Although there still are weaknesses that must be overcome, the important achievements we have recorded are creating the premises for us to gradually shift the country to a new period of development, a period in which to further industrialize and modernize the country.

The direct cause of our achievements over the past years was the party's adoption of a correct, renovative policy. This is a policy that conforms to the new trends of our time, accords with Vietnamese realities, and is popular. It is also because of those qualities that the party's renovative line has become a sound premise for promoting the cause of great national unity.

Aside from those achievements, our country still has many difficulties and weaknesses. The degradation of culture, education, and health care cannot be overcome overnight. The bureaucratism, corruption, and degeneration of a group of cadres are very worrisome. Graft is still serious. While the crisis-causing factors remain, dangers, especially the danger of lagging behind further economically, are very formidable challenges facing the country.

3. Vietnamese social structure is highly diversified and variegated, comprising different elements, classes, nationalities, religions, and people living in various regions of the country and abroad. Although each class has its own different past, situation, political views, and religious belief, they all live in harmony and mutual respect because they share the same pride of being Vietnamese, members of the Vietnamese nation, a nation with a thousand-year-old civilization and a tradition of struggle for national building and defense, and they have always followed the banner of the great cause and heeded the sacred call of the fatherland.

Through the years of the wars for national liberation and national defense, our people have sacrificed many men and a great deal of material wealth and have endured untold sufferings and losses. Nowadays, although their material and spiritual life has significantly improved, our people still have to suffer poverty, backwardness, and social injustice. Therefore, it is an ardent wish of all our people to build a decent life in harmony, in a social community and nation where they can live in peace, happiness and concord, and in a world of peace, friendship, and development.

In the present period, strengthening the great national unity is an effort aimed at fulfilling two strategic tasks—building and defending the fatherland—helping the country overcome the state of poverty and backwardness, and advancing to making the people prosperous, the country powerful, and society just and civilized. In the immediate future, from now until the year 2000, we must strive to strongly push forward the cause of renovation, change the economic structure, further industrialize and modernize the country, and fulfill by all means the set targets. We must concentrate on effectively exploiting our major potentialities:

 Our talent, intellect, capital, labor power, traditional national culture, and capability to receive and use modern science and technology. This is a major potential capable of high development that has only been partly exploited.

It is necessary to bring into full play the aggregate strength of the various economic sectors (including the state economy, cooperative economy, private economy, household economy...). Each of these sectors has an essential role and position in the economy; therefore, we must overcome suspicion, narrow-mindedness, and prejudices against this or that sector.

We must persist in implementing the policy of great national unity, create an atmosphere of agreement and mutual trust in society, and have confidence in the unchanged spirit of the party's policy of great national unity. Broadening democracy must go hand in glove with strengthening social order and discipline. The concept of "using the people's power to build the people's life" must be consistently implemented.

2. Integration with other countries in the region and into the international community. We must broaden, diversify, and multilateralize our foreign relations. We must also fully exploit the trend toward peace, cooperation, and mutual development, as well as the trend toward internationalization which involves both cooperation and struggle, and bring into play our obvious superiority to create a steady, stable position for development.

Foreign policy must be aimed at serving domestic policy; domestic policy must create proper conditions for the execution of foreign policy and generate solid internal strength in support of our integration into international relations; and international relations must help bolster internal strength. However, because of the transitional character of our time, political and socioeconomic strategies cannot be determined in a simplistic, one-sided manner; each issue has two interwoven aspects: the beneficial and harmful ones, and the good and bad ones. The problem is that we must have a profound perception of the essence of facts, must know how to pick the better aspect, and at the same time must accept the unfavorable aspect that is acceptable in order to minimize its effect and overcome it. Otherwise, we may easily become inconsistent, confused, self-contradictory, successful in one field but unsuccessful in another, and unable to achieve development in accordance with the law of evolution.

On the basis of the aforementioned objectives and tasks, the policy of great national unity must be geared toward fulfillment of specific tasks. We must clearly understand that great naoonal unity means uniting all people and all political and socioeconomic organizations in the great family of the Vietnamese nationalities, including various classes, social strata, economic sectors, nationalities, religions, and Vietnamese living in the country and abroad. Great national unity must take the common objective as the rallying point; at the same time, it must accept differences that are not contradictory to the common national interest. Together, we must get rid of prejudice, suspicion, and enmity; turn toward the future; promote the spirit of concord, sincerity, equality, and mutual respect; and refrain from criticizing and attacking each other. We must respect the freedom of belief and the freedom of nonbelief; respect the people's faith in religion and protect the people's places of worship according to the spirit of making life better and religion more beautiful. We must broaden contact, dialogues, and consultations in accordance with both reason and sentiment.

Great national unity is the party's basic policy. This policy must be thoroughly understood, effectively implemented in reality, and concretized. It must deeply permeate all positions, policies, and laws of the state in all domains—political, economic, social, cultural, diplomatic, security, defense...—at all levels, in all sectors, and especially at the grass-roots level. We must link interest with obligations, personal interest with common interest, and must place common interest above all.

We must encourage and motivate the people to launch a movement of all people and all households joining each other in combating poverty and backwardness in order to advance to making the people prosperous, the country powerful, and society just and civilized. Those who are hungry and poor must strive to have enough to eat; those who have enough to eat must strive to enrich themselves; and those who are already rich must strive to be richer. We must motivate the people to satisfactorily implement various social policies in accordance with the guidelines that "the state and people work together," to actively participate in the movements to show gratitude to those who h. ve rendered meritorious services to the country, to "eradicate hunger and alleviate poverty," to carry out humanitarian and charitable work, and other movements. We must motivate the people to take part in the movement to build the all-people national defense and people's security system and to participate in people's diplomatic work.

We must carry out the task of raising the people's cultural standard and enhancing the quintessence of our national culture in conjunction with taking in the cultural quintessence of mankind. We must quickly approach and grasp modern science and technology, improve and protect the environment, and combat environmental pollution and destruction.

We must broaden democracy along with strengthening social order and discipline and ensure the people's right to real mastery.

For the people's right to mastery to be fully implemented, first of all we must institutionalize democracy in all the three aspects: representative democracy, direct democracy, and self-management democracy at the grass-roots level. Prior to their promulgation, draft laws and policies bearing on the people's interest and obligations should be subject to public comment. The administration must be directly elected by the people, and mass organizations must be built by the people. Autocracy, arbitrariness, perfunctoriness, and imposition of policy by the upper levels on the lower levels, which would result in superficial democracy, must be overcome. The people must be motivated to participate in building the party and reforming the national administrative system. A mechanism should be institutionalized at an early date to periodically solicit public comment on party cadres and elected officials.

The Vietnam Fatherland Front and various mass organizations such as the trade unions, the peasants association, and the youth and women's unions, in their capacity as the political base of the people's power, should act in coordination with other revolutionary forces to perform even more satisfactorily the tasks of holding consultations and achieving unanimity of views. The mass organizations' activities should be conducted more deeply among the people and geared more toward the grass roots. Potential mass organization members should be organized and rallied in many more dynamic and diversified forms of organization.

We must build a socialist law-governed state of the people, by the people, and for the people, and strongly push forward the movement to further reform the national administrative system to make the state system pure and strong. We must strengthen relations between the state and people and create every condition for the people to participate in state building, especially in cadre work.

We must motivate the people to actively join the movement to renovate and reorganize the party, thereby enabling party organization and the contingent of party members to bring their leadership and militancy up to the party's political tasks.

In implementing the policy of great national unity, we should hold fast to the guidelines for each category of people in society:

Regarding those who have rendered meritorious services to the country and people, our party and state have already adopted a policy of preferential treatment and society has initiated the gratitude-showing movement. But these people should be regularly cared for, encouraged, and given adequate employment. In particular, we must pay a ecial attention to their living conditions, health care, travel needs...

Concerning workers, the first thing we should pay attention to is to ensure their job security. Next, we should satisfactorily organize their professional training, improve their cultural standard, and lend them money to help them develop their household economy. We should maintain and improve the quality of kindergartens, youth groups....

With regards to the peasantry, we should assist them in expanding goods production and trading and in finding and broadening markets. We should step up the promotion of agriculture and the transfer of technology. In particular, we must pay attention to bringing small industry and industry to the rural areas in accordance with the rural industrialization, modernization, and urbanization policy. We must transfer part of the agricultural labor force to the small industry, industry, trade, tourism, and service sectors, but we should not completely separate these laborers from the rural areas.

Concerning the intelligentsia, we should have a more profound perception of the role of intellectuals in the new stage of the revolution. This is because without intellectuals, we will not succeed in advancing rapidly, strongly, and steadily to socialism, and in making the people prosperous, the country powerful and society just and civilized. Intellectuals are a precious asset in all sources of capital of society. Any country that ill-treats its intellectuals and where the gray matter is absurdly cheap is a country that cannot develop and has no future. There is always a causative relationship between

degradation and waste of the gray matter, degradation of the environment and resources, and socioeconomic stagnation.

The party and state should invest more in science and technology and turn the intelligentsia to better account. They must get rid of their narrow-minded and prejudicial attitude toward—and rectify their alienation from—intellectuals. They must increase contact and democratic, equal dialogue with intellectuals in order to understand them more profoundly. They must rely on the contingent of intellectuals to train and select talent and to decide on positions and policies, especially policies on scientific and technological development. The state should broaden scientific and technological relations with developed countries, using distinguished scientists in this task.

Concerning various religions, religion is a social reality representing both the spiritual and cultural needs of the people. Religion is essentially not antisocial; it even constitutes a positive factor in society. In our policy of great national unity, we should attach special importance to the freedom of belief and the freedom of nonbelief. but this should not be understood as a license to criticize or attack each other. The important thing is that we must find a common voice to make "life better and religion more beautiful," and must respect the charitable, humane, and philanthropic concept of religion, as Uncle Ho once advised us. On the one hand, we must respect religious activities and protect the Catholic churches, the Buddhist pagodas, and the Cao Dai temples. On the other hand, we must also severely deal with all acts of abusing religion to undermine the great national unity and violate state laws.

Regarding the minority nationalities, we should implement ethnic equality, with the main task being helping all fraternal nationalities advance to eradicate hunger, alleviate poverty, prevent and treat diseases, and combat illiteracy. We must invest more in building communications and public information systems. A few ethnic minority groups are degenerating and threatened with extinction. The state should urgently devise plans to protect these groups and promote their development. We should quickly complete allocating forests and forested land to the household economic sector, strengthen the scientific and technical service network, and promote goods exchanges with the ethnic minorities. We should attach special importance to boarding schools charged with training cadres for mountain regions from among general school to vocational school students.

Concerning the private business circles, we should ally and cooperate with them on a long-term basis in the interest of both sides and according to the law and common national interest. The state should strengthen its relations with private businessmen and strive to understand their feelings and aspirations as well as their production and trading conditions and capabilities. The important thing is that we must act in such a way as to encourage businessmen to trust the correct policies and laws of the party and state. We should make use of the private economic sector on a long-term basis and recognize it as an important sector among the various economic sectors, and recognize private businessmen's lawful right to ownership so that they may boldly invest in production and trading development.

Regarding the Vietnamese living abroad, our party and state have time and again affirmed that the overseas Vietnamese are an important force of our nation contributing to broadening Vietnam's relations with other countries of the world. We should attract large numbers of overseas Vietnamese to participating in market activities, acting as agents for Vietnamese companies (in both sale and purchase), and taking part in tourism in their countries of residence. We should organize overseas Vietnamese scientists and businessmen to take part in serving the country. We should create every favorable condition for overseas Vietnamese to visit the homeland, invest in production and trading activities at home in the interest of both the country and their families. All sectors and localities should make regular contact with the families and relatives of overseas Vietnamese to provide information and assistance. We should encourage the relatives of overseas Vietnamese to rely on their own financial resources to go abroad to study and work. The state will intensify its efforts to protect the interest of overseas Vietnamese according to international law, to motivate overseas Vietnamese to unite. help each other, and work together to defend the honor of the Vietnamese people and nation.

It is our profound belief that once the tradition of great national unity is brought into play with a new stature and a new depth, it will certainly become a new strength and new moving force to help the country overcome poverty and backwardness and to make the people prosperous, the country powerful, and society just and civilized according to the socialist orientation.

## SRV Official Interviewed on Management, Use of Land

962E0034 Hanoi HANOI MOI in Vietnamese 27 Feb 96 p 3

[Interview with Luong Ngoc Cu, vice chairman, Hanoi People's Committee, by M. Loan for HANOI MOI: place and date not given: "Further Strengthening Land Management in the Municipality"]

[FBIS Translated Text] [Loan] Please let us know the favorable conditions and difficulties encountered in the management of land use last year.

[Cu] In regard to the state management of land in the Municipality of Hanoi, 1995 had an extremely important significance.

After the Land Law was issued in 1993, the state has brought into effect a series of decrees and circulars to provide uniform guidance in regard to land management in the country as a whole. This is a basic favorable condition because it has gradually built a legal corridor for the management and use of land. But there still were difficulties in their implementation because the decrees and circulars issued were far from total, synchronized, and timely.

At present, we still do not have any guiding policies in many areas of state land management, such as assigning land for building the technical infrastructure; doing business in housing; dealing with violations of the Land Law; ceding the land-use right; assigning land in rural residential areas; drafting plans and projects for land distribution, use, and so on.

That was the very reason why there has been much confusion in the management of land.

Furthermore, due to the fact that land management had been neglected for a long time and that the cases of relatively serious violations of the regulations on the management and use of land had never been completely resolved, we faced a wait-and-see mentality and a lack of confidence in the stability and restored order in the task. As a result, some violations continued to take place.

Having learned from experience through the protest of the Supreme People's Organ of Control and through the control and inspection of land management and use, the Municipal CPV Committee, People's Council, and People's Committee of Hanoi have concentrated their efforts on providing guidance for totally resolving the pending cases and restoring order in the management of land. After we resolved a number of cases of violations of the Land Law in the municipality, the people for the first time have now had confidence in the country's law. In addition to assigning a vice chairman of the Municipal People's Committee the land management task and setting up a system of cadastral work in the municipality in accordance with the Municipal People's Committee's Decision 493/QD-UB of 13 February 1995, we have put the entire land management task under a single authority. Within a short time, the cadastral service has obtained important initial results in such fields as surveying and mapping; assigning, leasing, and retrieving land; advising the People's Committee in regard to the lar I management policy; proceeding with assigning long-term stable use of agricultural land to farmer households for agricultural production purposes, in accordance with Decree 64/CP; training cadastral cadres for the entire municipality; surveying land, drawing maps to show the current use of land; and investigating and resolving complaints and accusations of violations in land management and use.

By now all wards and districts (except the newly established Tay Ho District) have their own cadastral offices, and all subwards, villages, and towns have their own cadastral cadres. Although some duplication still exists, we have achieved an initial coordination of the work between the municipal cadastral service and the sectors and functions having to do with all aspects of the stability in the state management of land.

But due to the fact that the cadastral sector has just been established, it cannot avoid difficulties. Because of the small number and poor quality of our cadastral cadres, particularly at the ward, district, subward, and village levels, they are still unable to satisfy the needs of the renovation and the development of sciencetechnology, nor to overcome the difficulties that are urgently encountered in our everyday life.

[Loan] Order has thus been gradually restored in the management and use of land, but in some localities some negative aspects that are quite complicated still remain. How does the municipality deal with these "hot spots"?

[Cu] As I said earlier, 1995 was a key year in our perception aimed at restoring order in the management of land. The difficulties that had resulted from a long period of lacking management policies and neglecting management put the municipality in a situation of extremely heavy responsibility, which it had to escape by first of all stopping on a timely basis any further violations in regard to land management and use; retrieving the land that had been wasted, left idle, used ineffectively, or used wro precouping money from the land-use fees that had not been paid; dealing with the violations that had resulted from historical events, and so on.

In 1995, although there was a remarkable decrease in the number of violations that were as serious as those of previous years, such violations still occurred. Some cases of illegally using public land, deliberately switching the purpose of using land to building private houses, illegally buying and selling land, and so on still occurred in a number of localities.

In order to overcome that situation, the Municipal People's Committee asked the cadastral service and related sectors to draft the regulations that would deal with violations of the Land Law within the Municipality of Hanoi. The sectors and echelons concerned met many times to discuss the draft. The Standing Committee of the Municipal VCP Committee later approved the draft and is seeking the advice of the government and central organs so as to prepare for its promulgation in the time to come. The Municipal People's Committee is providing the sectors and echelons in the municipality with guidance for a survey and inspection of the land used to grow wet rice since 1988. To deal with the violations that had resulted from historical events will help to stop the violations that are occurring now. As to the violations that took place after the 1993 Land Law, we must deal with them in a strict manner; in the case of current violations, work must be stopped, the status quo restored, and construction work, if any, demolished.

What is important is we must prevent violations from taking place. The management teams in charge of maintaining urban construction order and the cadastral cadres of wards, districts, subwards, and villages are the eyes and ears, as well as tools, of the administrations of all levels in detecting and dealing with violations. The coordination of work among the echelons and sectors concerned (the people's organs of control, public security, inspection, construction, cadastral offices, and so on) to prevent violations has been relatively successful. The decisive question now is how to organize a synchronized implementation of seven items in the state land management procedures so as to make this task more effective as it is carried out throughout the municipality. At present, the Municipal Peo le's Committee is guiding the Cadastral Service tow: d drafting projects and plans for land use, surveying and making maps of current land uses, and proceeding with the registration of land use throughout the municipality. Every year the municipality invests tens of billions of dong in surveying and cadastral mapping. This is an important base for tightly controlling and managing the land asset. With this momentum, we are certain that in 1996 the "hot spots" will be gradually "cooled off."

[Loan] There are many reasons behind the situation in which public land is encroached upon and seized, construction goes on illegally, people quarrel about land, and so on. Is it true that the issuing of certificates is the basic reason? If so, how do you overcome this weakness? [Cu] To issue certificates that recognize the right to use land is an important procedure in the state management of land and creates favorable conditions for securing ownership-management for and actually using all of the land — and this is the subject of seriously implementing the Land Law on a voluntary basis. The issuing of certificates to recognize the right to use land, particularly urban land within the Municipality of Hanoi, has recently been slow because of the following reasons:

- Many areas do not have detailed plans yet.
- Cadastral files are incomplete. In the inner urban area in particular, surveying and mapping have been carried out in only 22 of its 84 subwards.
- No guidelines have been issued in regard to dealing with violations of the Land Law.

In order to overcome this situation, the Municipal People's Committee has asked the Cadastral Service to coordinate its work with that of other sectors in drafting and submitting to its approval a plan for issuing certificates recognizing the right to own houses and to use urban land in accordance with the government's Decree 60/CP of 5 July 1994. We are trying to finish by the end of 1998 issuing certificates to organizations and individuals to recognize their right to use land in the municipality.

To issue certificates to recognize the right to use land is an extremely urgent task, but to say that the slow issuing of these certificates has been the basic reason for unauthorized encroaching upon public land, illegal building, land disputes, and so on is only partially correct, for these phenomena have been the collective consequences of many reasons, both objective and subjective; and the fact is for a long time we have not had sufficient laws and our citizens have not been living and working in accordance with the law. Therefore, there is no other way than to strengthen our propaganda work so as to make the people clearly understand, correctly understand, and fully understand the law and strictly abide by it, and at the same time for the municipality to continue providing the sectors concerned and localities with guidance in regard to fulfilling the procedures for issuing certificates to the people to recognize their right to use land.

[Loan] In connection with this task, have you made any suggestion to your superior echelons?

[Cu] On the part of Hanoi, we have proposed that the government and organs concerned issue synchronized and timely policies on the state management of land. The National Assembly needs to adopt decrees on construction in the capital city; at the same time, the state must pay more attention to helping the capital city to adopt appropriate policies and measures and to bring order to its land management task, and contributing to building a civilized and modern capital city.

On the occasion of the new year, I wish your readers in the capital city and the reporters and writers of HANOI MOI a year full of happiness.

[Loan] Thank you.

## Australia

## Canberra Announces \$2 Million Contribution to KEDO

BK1604061196 Melbourne Radio Australia in English 0500 GMT 16 Apr 96

[FBIS Transcribed Text] Australia has announced it is giving a further \$2 million [currency not further specified] to a consortium, which will provide North Korea with light water nuclear reactors. The foreign mini r, Alexander Downer, says Australia's contribution flects the immense importance of practical measures to improve security on the Korean Peninsula. Mr. Downer says the Korean Energy Development Organization [KEDO] could make an important contribution to regional security and that it offers the best basis for resolving the North Korean nuclear issue. Australia has previously contributed \$5 million to the energy organization.

## Australia: Indonesian Official Rejects Concerns Over Nuclear Program

LD1104105396 Melbourne Fadio Australia in English 0900 GMT 11 Apr 96

[FBIS Transcribed Text] A senior official with Indonesia's Atomic Energy Board has rejected the concerns over Indonesia's proposed nuclear power program as expressed by former Australian Governor General Bill Hayden. The board's acting director general, Fredi Sagala, says the proposed plan to build up to 12 nuclear power stations was both necessary and safe. The plan has yet to receive the approval of President Suharto.

In an address to Australia's National Press Club in Canberra yesterday, Mr. Hayden said he could not understand why Indonesia needed nuclear power plants when it had abundant other sources of energy, such as hydropower, oil, and natural gas.

Mr. Sagala said that while this was true for the whole of Indonesia, it did not apply on the densely populated islands of Java and Bali, where energy resources could not meet projected demands. He added that studies carried out into the geology and seismology of possible sites for nuclear power stations showed that they were very stable and that Australians had nothing to worry about in terms of accidents occurring through natural causes.

#### Australia: Suharto Declines Visit Invitation To Avert Rift in Ties

BK1704041296 Sydney THE SYDNEY MORNING HERALD in English 17 Apr 96

[Article by Louise Williams, Herald correspondent in Jakarta — received via Internet]

[FBIS Transcribed Text] Indonesia's President Suharto indicated yesterday that he will not visit Australia in the near future, telling the foreign minister, Mr. Alexander Downer, in private talks that a visit could set back, rather than advance, the delicate bilateral relationship.

Mr. Downer met the Indonesian president this morning, bearing an invitation from the prime minister, Mr. John Howard, in an attempt to secure the promise of an Australian visit by President Suharto where the former Prime Minister Mr. Paul Keating failed.

In an interview with the Herald, Indonesia's foreign minister, Mr. Ali Alatas, who was present at the talks, said: "The best way for me to answer is to reveal something of what was discussed by Mr. Downer when he met President Suharto".

Mr. Alatas said President Suharto thanked Mr. Downer for his invitation but explained that his position on state visits was that they were supposed to strengthen an existing relationship.

"If such a state visit is running the risk of causing a possible misunderstanding or rift then you should be very careful, he said."

President Suharto was referring to the possibility of demonstrations in Australia from groups protesting at Indonesia's role in East Timor and other human rights issues such as Irian Jaya.

"The president told Mr. Downer, "Personally, I have no problem in having to face demonstrators, but our people could be sensitive towards anything that happens to me because I represent them and they would react, and that would in turn cause a reaction by the Australian people.

"That would cause not a strengthening, but a deterioration of the relationship," Mr. Alatas said.

Mr. Alatas stressed, however, that President Suharto explained that friendly relations could continue between two countries without a state visit and that the president has not precluded visiting Australia in the long-term.

Mr. Keating made six visits to Indonesia and established a close relationship with President Suharto but failed to persuade him to come to Australia. President Suharto has already said he will warmly welcome Mr. Howard to Jakarta.

## Australia: Minister Concedes Tariff Concessions Idea 'Dreadful Policy'

BK1204141296 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 12 Apr 96

[Report by Nina Field]

[FBIS Transcribed Text] The Federal Minister for Industry, Mr John Moore, conceded yesterday that the Government's \$1.3 billion [Australian dollars] proposal to abolish tariff concessions on business inputs was "dreadful policy".

But he said his hands were tied by the Government's commitment to get the Budget into balance.

"It was a dreadful policy, but we have a revenue problem," he told a meeting of 30 industry organisations in Canberra yesterday.

Mr Moore told the business representatives he would have to find the \$417 million in 1996-97 from other industry assistance schemes if the concession was retained.

The proposal to scrap the Tariff Concession System [TCS] — which allows business to import goods used in industry which are not produced in Australia duty free — is expected to improve the Budget bottom line by \$1.3 billion line over three years, with \$417 million expected in 1996-97.

The Government promised, during the election campaign, to abolish the tariff concession, as part of its effort to demonstrate fiscal responsibility.

The decision to abolish the tariff concession will affect many consumer items, including corks in wine bottles. It also has widespread impact with groups as diverse as the Plastics and Chemicals Industry Association, the Australian Automobile Association, the Australian Chamber of Commerce and Industry and the Australian Food Council.

They are all furious with the Government's decision to put the Budget ahead of business needs, after yesterday's meeting failed to produce a compromise on the proposal.

Spokesman for the industry organisations, former Liberal minister Mr Michael MacKellar, said yesterday the minister would not accept an industry proposal for a thorough review by the Productivity Commission to investigate the overall impact of scrapping the TCS.

Instead, Mr Moore stressed that the Government was committed to its fiscal targets and that scrapping the TCS had already been identified during the election campaign as a necessary revenue measure.

Mr Moore said that any Productivity Commission inquiry would take far too long to fit in with the Budget process.

But Mr MacKellar said: "The ad hoc and ill-considered decision to abolish the TCS flies in the face of over a decade of progress in micro-economic reform and trade reform designed to reduce costs of doing business and make Australia more internationally competitive."

Business had been lobbying the Government to leave the tariff concession in place, with one group describing the outcome of the meeting as the "first major falling out" between business and the Government.

Mr Moore called on industry to make submissions to the Government, putting forward any alternative options.

The minister told yesterday's meeting that officials would review policy options and that industry groups were invited to continue to discuss the matter with them.

"We've asked the officials to consider options for the various propositions we've put forward and we'll ask the business community to participate in that, so that they can fully participate in the options," he said.

It is understood that the industry groups did not come up with any alternative options during the meeting, remaining adamant that it would be "all or nothing".

Even the suggestion that the removal of the concession should apply to all goods — both business inputs and consumer goods — was apparently rejected by business.

## Australia: Government Suspends Use of Landmines Except in 'Emergency'

BK1604052696 Sydney THE SYDNEY MORNING HERALD in English 16 Apr 96

[Report by David Lague — received via Internet]

[FBIS Transcribed Text] Jakarta — The Howard Government has overruled the objections of the military top brass and suspended the use of landmines in a bid to retain Australia's leading international role in scrapping inhumane weapons.

The Minister for Foreign Affairs, Mr Alexander Downer, and the Minister for Defence, Mr Ian McLachlan, yesterday announced the move — a reversal of the Keating Government's stance — as a step towards eliminating a weapon that kills or maims 26,000 people each year, many of them innocent civilians.

However, the military will retain its mines stockpile and the suspension will be reviewed in a national security emergency or if Australian lives are at risk. Human rights and aid groups have applauded the Government's decision as signs emerge that there is growing determination in the international community to end the carnage from an estimated 100 million landmines world wide.

Australia will now get behind efforts to strengthen the Inhumane Weapons Convention, which restricts the use of anti-personnel landmines.

On the first day of his visit to Indonesia, Mr Downer said yesterday Australia would now support a global ban on the production, stockpiling, use and transfer of anti-personnel landmines.

"The Australian Government regards the indiscriminate use of landmines as a humanitarian disaster," he said.

"The Australian Defence Force will also impose a unilateral suspension on the operational use of antipersonnel landmines."

The Defence Department spokesman, Brigadier Adrian D'Hage, said yesterday the military supported the Government's decision but service chiefs had strongly resisted earlier efforts to remove these weapons from Australia's armoury.

The military chiefs had persuaded the Keating Government to oppose a global ban because they believed landmines were a vital weapon.

So Australia had been arguing for new rules under the Inhumane Weapons Convention that would outlaw any anti-personnel mine which did not self destruct or self neutralise within a set period.

In overruling the chiefs, the Howard Government has signalled that it will continue the international leader-ship on disarmament established with the support of the Hawke and Keating governments for the Chemical Weapons Convention.

In a statement yesterday, Mr McLachlan said Australia had not used landmines for many years.

"The ADF (Australian Defence Force) has in no way contributed to the appalling situation but it is appropriate for a country with Australia's strong humanitarian record to demonstrate leadership on this issue.

"Only in the case of a substantial deterioration in our strategic circumstances, in which Australia's security was under threat and the denial of an anti-personnel landmine capability to the ADF would result in additional Australian casualties and damage to vital infrastructure, would the suspension be reviewed."

Aid groups, including the Australian Red Cross, the Australian Council for Overseas Aid (ACFOA), Australian Catholic Relief and Community Aid Abroad all welcomed the move.

The executive director of ACFOA, Ms Janet Hunt, said Australia could now join Canada, New Zealand, Denmark and Switzerland in supporting a global ban.

"We are thrilled at this charge in our country's policy towards these deadly weapons," she said.

The Pentagon has also announced it will review the United States policy of opposing a ban, as leading defence authorities question the military effectiveness of these weapons.

## New Zealand

# New Zealand First Leader Explains Party's Position on Immigration

BK1304092096 Christchurch THE PRESS in English 12 Apr 96

[Report by Hans Petrovic and Mike Crean — received via Internet]

[FBIS Transcribed Text] New Zealand [NZ] First's position on immigration was not based on prejudice, but on a belief that New Zealanders had a right to a say in the shaping of their nation, the party's leader. Winston Peters, said in Christchurch yesterday.

He was speaking at a public meeting at the Cashmere Club attended by about 600 supporters, largely elderly people.

Mr Peters said the right to shape the country meant having a say about the proper funding of hospitals, about the problem of violent criminals receiving more consideration than their victims, and about how many people were allowed to migrate to this country.

"It means, in other words, regaining ownership of the nation that generations of New Zealanders built, and which many even fought and died for," he said.

Prejudice began to emerge in the debate about immigration as soon as the issue was raised.

Mr Peters denied his party was prejudiced. "We are colour blind. We see New Zealanders as a people deserving a voice in Parliament. It doesn't matter if they are Maori or European, Asian, or American."

Earlier, a small group of Maori students laughed and applauded as Mr Peters handled questions about immigration during a meeting at the University of Canterbury.

An orderly crowd of about 400 students listened to an address by Mr Peters that emphasised his party's tertiary-educatica policy. His remarks on limiting student funding of courses, setting course costs at least a year in advance, and holding fee levels drew little response.

Support for Mr Peters came from several Maori students during a question-and-answer session, especially in discussing immigration. Only one student challenged his claim that many advanced countries were closing their borders to immigration. Entry to New Zealand should be a privilege, he said.

His party's top priority would be jobs for New Zealanders; these were all people who lived permanently in the country, including recent immigrants, for whom increased investment in education was necessary. Levels of new immigration should be cut.

New Zealand would always need infusions of skill and expertise, often from overseas, but should not use immigration as an excuse for failing to educate and train its own people. The Government's immigration policy was marginalising hundreds of thousands of New Zealanders by denying them training and raising interest rates. Immigrants must contribute and be committed to New Zealand, as were earlier immigrants who gave up everything to come here and build the country by their sweat. They must not use New Zealand as a bolt-hole, while getting on with activities abroad and leaving their children for the taxpayers to educate, he said.

Foreign owners of New Zealand assets should have to offer their assets to New Zealanders when they decided to sell. New Zealand First opposed nationalisation of foreign-owned assets.

Mr Peters said gangs should be "de-ganged". They were an abomination to Maori people, culture, and heritage.

New Zealand First would hold referendums on matters of public interest, such as the use of cannabis, euthanasia, and resort to the Privy Council. It would amend the Employment Contracts Act to give workers a "fairer go".

## New Zealand: Paper Comments on 'Apostasy' of Proliticians

BK1304090996 Christchurch THE PRESS in English
11 Apr 96

[Editorial: "Changing Sides" — received via Internet]

[FBIS Transcribed Text] "What happens," Lucy asks in Tuesday's "Peanuts" cartoon, "if a dog doesn't like the family he's living with?" "He sneaks away at night," Linus replies. Politicians defecting from their parties should perhaps take note. Instead, they have trumpeted their apostasy as if congratulations were in order.

The latest to jump from their respective ships, Jack Elder and Peter McCardle, have abrogated any moral contract they may have had with their constituencies. Mr McCardle obtained support in the 1993 general election from Heretaunga people who thought they were voting for a National candidate. At the same election, Mr Elder stood in Henderson for Labour. It is increasingly clear that the two do not really stand for anything. New Zealand First may benefit numerically from having them on board, but that is where any advantage stops. A party attracting those whose political ambition outweighs their ideology cannot ultimately rely on their loyalty to it. National and Labour may each have lost a member, but both parties are better off without potential renegades in their midst. That said, Mr McCardle's action is particularly self- serving. It was only a month ago that he gave a pledge of loyalty to National.

The opportunism now being displayed by politicians changing sides is no more than might be expected from the less scrupulous who confront the possibility of their political extinction. It is nevertheless a grubby exhibition. Proportional representation was supposed to provide more than political expediency. For if loyalty to party no longer means much, what surety has any voter in going to the polls? By default, any choice may indicate only support for an individual.

The contempt many will show for those who, for reasons other than principle, have abandoned their party has been seized on by Richard Prebble, the new leader of ACT [Association of Consumers and Taxpayers] New Zealand. In a reversal of ACT's previous attitude, he says it will not welcome MPs [members of parliament] from other parties who want to join it before the election unless they can convince ACT that they support its policies. What would it take to do so? Although that altered approach sounds principled, it may be little more than recognition of recent history. ACT had earlier predicted that up to eight sitting MPs would join its ranks before the end of February. None did.

At present, New Zealand First is enjoying burgeoning support, albeit much of it fuelled by appeals to fear on visceral issues such as immigration. If any of that support is practically to translate later into policy, the party will need better people than it has so far attracted. Its leader, Winston Peters, has all the attributes of the populist. He specialises in generating support among the indignant and disaffected. That is easy to whip up but hard to sustain, if only because the politics of passion last no longer than the emotions on which they trade. Mr Peters's actions are those of an attention-getting spoiler who knows he will not have to form a government.

Not long ago, the Prime Minister was well positioned for the run-up to an election later this year. All significant political movement was outside National's walls. It had virtually to do little while it watched its enemies self-destru... That is no longer the case. Already depending for its survival on such weak vessels as Ross Meurant and Trevor Rogers, it cannot afford further defections. Neither Mr Meurant nor Mr Rogers has any popular backing. Yet, until the poll is called, they accidentally have the power to sustain National in office and seem ready to exercise it. That is one of the lesser ironies of the present political scene.

National may yet continue to limp towards a November poll. The numbers, however, suggest that there might be an earlier election. Should that occur, it might be no bad thing. The uncertainties thrown up by the defectors have made good government more difficult. Many of those who voted for MMP [mixed member proportional electoral system] and have watched what has eventuated from it will be wondering about the wisdom of their choice. It might be to everyone's advantage if the Government opted for an early poll, in search of whatever political stability is now possible.

## Papua New Guinea

## Papua New Guinea: Chan on Abandoning Logging Tax, Royalty Regime

BK1404135696 Melbourne Radio Australia in English 1100 GMT 14 Apr 96

[FBIS Transcribed Text] Papua New Guinea's [PNG] prime minister [PM] says the World Bank is well aware that his government may abandon logging tax and royalty regime introduced only five months ago at the bank's insistence. Sir Julius Chan says a review of the logging taxes will be one matter discussed by a PNG Government team which is about to leave for Washington for further discussions with the bank. Sean Dorney report:

[Begin recording] [Dorney] On his recent trip to Malaysia, Sir Julius Chan says logging companies told him they might quit PNG because of the new tax regime.

[Chan] If the tax regime is too heavy on the private sector that would simply close down, and the government we can't just simply invite people to come in and not making any profits just because the World Bank insists on a particular tax regime. We have a wider responsibility as a government and as a nation (?to want) to keep them in the [word indistinct].

[Dorney] The higher export log tax rates were a precondition to the World Bank's structural adjustment loan package to PNG, the second half of which is yet to be delivered. [end recording]

## Papua New Guinea's Chan: Many 'Misread' Decision To Lift Cease-Fire

BK1404105896 Melbourne Radio Australia in English 0500 GMT 14 Apr 96

[FBIS Transcribed Text] Papua New Guinea's [PNG] prime minister [PM], Sir Julius Chan, claims many countries have misread his recent decision to lift the cease-fire on Bougainville. Sir Julius told journalists in Port Moresby today that he received protests from a number of governments in relation to his comment that PNG would deal with rebels living inside and outside the country. However, the prime minister stressed that his statement does not mean that his government will step outside international law and accepted code of conduct.

[Begin Chan recording] A lot of other countries seem to think that we are fools, that we are still cannibals, that we are going to violate all international laws; and I have been getting a lot of protestations coming from some so-called responsible governments. We have many do gooders in their countries talking about Bougainville, but when it comes for them to do the real act of accepting to make a home for some of these people who want to take a refuge in their countries, all of them, they shut their doors. [end recording]

## Papua New Guinea. Military Reimposes Blockade on Bougainville

LD1704105396 Melbourne Radio Australia in English 0700 GMT 17 Apr 96

[FBIS Transcribed Text] The Papua New Guinea [PNG] military has reimposed a blockade on the secessionist island of Bougainville. All ships and aircraft heading for Bougainville will have to first obtain a military clearance in Rabaul [the capital of the neighboring province of New Britain].

A Radio Australia correspondent says a PNG military intelligence officer has outlined the new restrictions to public servants and private businesses on Buka Island, just to the north of Bougainville. He says the military has ordered all businesses to close and banned cocoa and copra [dried coconut kernel] buying. As well, boarding schools have been told to send their students home because they will not be allowed to stockpile food.

The PNG military has assumed almost total control over Bougainville's affairs following the breakdown of peace moves earlier this year. A military blockade imposed on Bougainville earlier in the six-year conflict has been blamed for the deaths of thousands of people on the island.

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